Daily Report
East Asia

FBIS-EAS-92-163 CONTENTS *21 August 1992*

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Japan

Iraqi Compliance With UN Resolutions Demanded

OW2108120292 Tokyo KYODO in English 1143 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 KYODO—Japan demanded Iraq on Friday to comply with U.N. resolutions aimed at protecting Shiites in southern Iraq, Foreign Ministry officials said.

Iraqi Ambassador to Japan Rashid al-Rifa'i was called to the ministry and told that Baghdad's suppression of the Shiites violates U.N. resolutions, the officials said.

Takeshi Ohara, director general of the ministry's Middle Eastern and African Affairs Bureau, told the Iraqi diplomat that Japan demands Iraq meet its international obligations.

Iraqi President Saddam Husayn put down a Shiite uprising in March 1991 after the Gulf war. The United States is now leading a move to block Baghdad from flying over the southern Shiite areas.

Muslims comprise some 95 percent of Iraq's population and most of them are Shiite, but Saddam's ruling group is dominated by members of the Sunni sect.

On the subject of U.N. inspections of Iraqi nuclear facilities, Ohara reportedly said, "The U.N. will continue nuclear inspections, so it is necessary for Iraq to cooperate with it."

Al-Rifa'i responded, "the U.N. resolutions cannot be accepted because it was adopted under U.S. pressure," the ministry officials said.

Ohara reportedly countered that the resolutions reflected international consensus and were not adopted under U.S. pressure.

The ambassador said Iraq is implementing U.N. resolutions unless they go against Iraqi sovereignty, and that he will relay Japan's request to Baghdad, the officials said.

Watanabe To Ask Yeltsin for Islands Resolution

OW2108114392 Tokyo KYODO in English 1126 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 KYODO—Foreign Minister Michio Watanabe will meet Russian President Boris Yeltsin either September 1 or 2 and request a political solution to the ongoing territorial dispute between the two nations, a senior Foreign Ministry official said Friday.

According to the official, Watanabe is likely to leave Japan on August 29 for Moscow to meet Yeltsin, who in turn is scheduled to visit Tokyo on September 13-16 and will meet Prime Minister Kiichi Miyazawa on September 14-15.

In Moscow, Watanabe is also scheduled to meet Russian Foreign Minister Andrey Kozyrev and discuss the president's schedule as well as a joint declaration and a number of agreements that are planned to be signed during Yeltsin's visit.

Watanabe is scheduled to return to Japan on September 4.

Governor Stresses Significance of Russia Visit

OW2008085892 Naha OKINAWA TIMES in Japanese 20 Aug 92 Morning Edition p 2

[Text] Okinawa Prefecture Governor Masahide Ota held a news conference on 19 August prior to his visit to Russia starting 23 August. At the news conference, Governor Ota touched on various issues, including the significance of his first visit to Russia. He said: "I intend to see the actual situation in Russia, considering the idea of establishing a friendly sister prefecture relationship as proposed by Russian Deputy Prime Minister Mikhail Poltoranin during his recent visit to Okinawa." Regarding the schedule of his trip abroad slated this fall, the governor said that he will visit China in late October to attend the arrival ceremony of participants in the "3,000-Kms Walkathon for Exploring China" to be held in Beijing. Moreover, Governor Ota disclosed his intention to conclude prefecture-province friendship relations with Fujian Province during his visit to the province if favorable conditions should be created. Moreover, the governor indicated his intention to visit South America early next year due to his tight schedule involving such events as the prefectural assembly session and the compilation of budgetary request for fiscal 1993. The main purpose of his South American trip is to sign a treaty on friendly relations with Santa Cruz in Bolivia.

Governor Ota will visit Russia to attend the 12th Japanese-Russian Gubernatorial Conference at the Russian Government's invitation.

While keeping in mind the idea of establishing friendship relations, the governor stated the significance of his visit as follows: "This will be an opportunity to see with my own eyes the actual situation in Russia, and find out how the Russian policy on the Asian-Pacific region may influence U.S. military bases in Okinawa." Thus, he expressed his expectations for exchanges of views with Russian Government officials.

Deputy Prime Minister Poltoranin proposed the idea of establishing friendly relations between Okinawa and Russian oblasts during his recent visit to Okinawa. Regarding this proposal, the governor expressed his strong interest, saying that "establishment of friendly ties with foreign cities has now become one of the major projects of local governments." Thus, he indicated his intention to keep this proposal in mind during his visit to Russia.

Moreover, touching on Russian military policy regarding the Asian-Pacific region, Governor Ota said: "If I can get information on Russian policy directly from Russian Government officials, I can use the information when I

make requests on military base issues to the United States." At the same time, he expressed his expectations for this chance to collect more extensively information on the military situation in the Far East, including the U.S. military bases in Okinawa.

In addition to participation in the Japanese-Russian Gubernatorial Conference, the Japanese governors' group, including Governor Ota, is scheduled to meet with high-ranking officials such as leaders of the Russian Supreme Council and Vice Foreign Minister Georgiy Kunadze. The group is scheduled to return home on 2 September.

Firm To Survey for Minerals in Russian Far East

OW2108131992 Tokyo KYODO in English 1226 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 KYODO—Sumitomo Metal Mining Co. said Friday a working-level team will leave Monday for a two-week survey of copper, nickel, and other metal resources in Maritime Province and Magadan of the Russian Far East.

Company officials said the team is being sent under an agreement reached last summer with the two provinces.

The deal came during a visit to Japan by mining officials from the two provinces who toured Sumitomo's smelters.

This will be the first inspection mission to the region by an individual Japanese enterprise.

Kato on Reported Setting Up of PRC-ROK Ties

OW2008122392 Tokyo KYODO in English 1158 GMT 20 Aug 92

[Text] Tokyo, Aug. 20 KYODO—Diplomatic ties between China and South Korea would have a positive influence on stability and development in Asia, Chief Cabinet Secretary Koichi Kato said Thursday.

Commenting on reports Beijing and Seoul were about to establish diplomatic relations, Kato said at a press conference he would welcome such a development, despite the effect it may have on South Korea's relations with Taiwan.

Countries establishing diplomatic ties with China are usually required to sever formal relations with Taiwan.

Although Kato admitted the Japanese Government has obtained some information on the China-South Korea moves, he declined to make further comments.

He said Japan will adhere to its policy of normalizing ties with North Korea and negotiations toward that aim will continue unaffected from changes in Beijing-Seoul relations.

UNTAC Chief Akashi Arrives for Visit 20 Aug

OW2008123792 Tokyo KYODO in English 1009 GMT 20 Aug 92

[Text] Tokyo, Aug. 20 KYODO—Yasushi Akashi, chief of the U.N. Transitional Authority in Cambodia (UNTAC), arrived in Japan on Thursday for talks with Japanese leaders on ways to break a deadlock in U.N. peacekeeping efforts in the war-ravaged country.

Akashi, who met Chinese Foreign Minister Qian Qichen in Beijing, will talk with Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe on Tuesday, government officials said.

They are to discuss the dispatch of Japanese troops to Cambodia to join U.N. peacekeeping forces and ways to persuade the Khmer Rouge to abide by a U.N.-brokered peace accord signed in Paris last October, the officials said.

The Khmer Rouge, the militarily strongest of the three Cambodian factions fighting the Vietnamese-installed Phnom Penh government, has refused to disarm and demobilize its troops, as required by the U.N. plan.

Japan is expected to send Self-Defense Forces troops to Cambodia in October under a recently enacted U.N. peacekeeping cooperation law.

Akashi, a Japanese career U.N. diplomat, went to China on Sunday to attend a U.N. meeting on disarmament and security in the Asia-Pacific region. He is to stay in Japan until Wednesday.

Opens Talks With Officials

OW2008145192 Tokyo KYODO in English 1327 GMT 20 Aug 92

[Text] Tokyo, Aug. 20 KYODO—The head of the U.N. Mission in Cambodia, Yasushi Akashi, opened talks with Japanese officials Thursday on trying to break a deadlock in peace efforts in the war-torn country.

Akashi, who arrived earlier in the day on a weeklong visit, met senior Foreign Ministry official Tadashi Ikeda, who is to leave Friday for Bangkok to try to reel the Khmer Rouge back into Cambodia's fragile peace process, ministry officials said.

Ikeda, director general of the ministry's Asian Affairs Bureau, is to meet Thai Government officials and, perhaps Saturday, with Khmer Rouge leader Khieu Samphan, the officials said.

The Khmer Rouge, militarily the strongest of the three factions fighting the Vietnam-installed Phnom Penh government, has refused to disarm and demobilize its troops in accordance with a U.N.-brokered peace plan all four groups signed in October.

The faction demands more authority for the Supreme National Council, a largely symbolc body of national reconciliation, and confirmation that Vietnam has withdrawn all its troops from Thailand.

Ikeda is expected to propose setting up an administrative advisory committee under the Council and a committee from all factions and the U.N. mission to verify Vietnam's withdrawal.

Akashi, who arrived in Japan after visiting China, told Ikeda that officials in Beijing pledged earnest efforts to ensure that Cambodian elections can be held on schedule next spring, the ministry officials said.

The Japanese career U.N. diplomat is scheduled to meet in Tokyo with various government officials to discuss the dispatch in October of Japanese engineering troops to Cambodia.

Says Sihanouk Welcomes Tokyo Role

OW2108070792 Tokyo KYODO in English 0650 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 KYODO—Cambodian leader Prince Norodom Sihanouk welcomes Japan's expected participation in the United Nations peacekeeping mission in Cambodia, according to the head of the mission said. [as received]

Yasushi Akashi, head of the U.N. Transitional Authority in Cambodia (UNTAC), made this known Friday in a meeting with opposition Komeito Chairman Koshiro Ishida.

He was quoted as telling Ishida that Sihanouk expressed the welcome "under the name of the Supreme National Council (SNC)" in late July when Akashi sounded him out about Japan dispatching peacekeepers.

Akashi also held separate talks with Democratic Socialist Party (DSP) Chairman Keigo Ouchi.

Akashi told Ishida the U.N. is likely to extend an official request for Japan to dispatch Self-Defense Forces (SDF) troops to Cambodia in late August, Komeito sources said.

He said no further procedures are necessary for the SDF dispatch because the approval of warring parties concerned, which is required in Japan's U.N. Peacekeeping Cooperation Law, is already fulfilled with the SNC Chairman Prince Sihanouk's consent.

The SNC is a national reconciliation body comprised of the four Cambodian factions.

The ruling Liberal Democratic Party passed the law through the Diet in June with the help of Komeito and the DSP. It took effect August 10.

Some opposition parties have been arguing it is necessary to obtain the agreement of Cambodia's militarily strongest faction, the Khmer Rouge, for the dispatch of Japanese troops.

The faction has refused to disarm and demobilize its troops in accordance with the Paris peace accord which all four groups signed in October.

It demands more authority for the SNC, a largely symbolic body, and confirmation Vietnam has withdrawn all its troops from Cambodia.

Akashi said the ceasefire in Cambodia is "satisfactory in general," but added the Khmer Rouge's refusal to disarm may delay the scheduled elections next May by about one or two months, the sources said.

He told Ishida he has proposed setting up a team to investigate whether Vietnamese troops are still in Cambodia and called on the Khmer Rouge to join the team, but it refused, the sources said.

He also said China, which he visited before arriving in Japan on Thursday, considers the Khmer Rouge is beginning to take a more flexible stance.

Akashi said Chinese Vice Foreign Minister Xu Dunxin seems to have held talks with Khmer Rouge leaders.

In his meeting with Ouchi, Akashi said he hopes the Khmer Rouge will accept disarmament by September or October and join the UNTAC-led peace process, DSP sources said.

He expressed doubt over the faction's ability to mount a full-scale attack and said there is no fear of the SDF being involved in a skirmish.

He cited repairing roads, bridges, and airport runways as activities in which Japan is expected to participate.

SDF Troop Dispatch Planned in Three Stages

OW2008132292 Tokyo KYODO in English 1238 GMT 20 Aug 92

[Text] Matsumoto, Nagano Pref., Aug. 20 KYODO—About 600 Self-Defense Forces (SDF) troops will join U.N. peacekeeping operations in Cambodia in three stages between mid-September and October, the Defense Agency chief said Thursday.

Sohei Yamashita, director general of the agency, said at a press conference after a military inspection tour that the main body of the troops will go to Cambodia after two advance units.

He also said the cabinet will adopt a detailed plan in early September to dispatch the troops and the government expects a formal request from the United Nations later this month.

The U.N. Headquarters has so far only informally asked Tokyo to send 600 SDF members to help repair roads and bridges in the war-devastated country.

It has also asked for eight ceasefire monitors and 75 police officers in October, and 50 observers for next spring's general election.

Foreign Ministry Official Departs for Bangkok

OW2108041992 Tokyo KYODO in English 0347 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 KYODO—The head of the Foreign Ministry's Asian Affairs Bureau left Friday for

Bangkok, where he will try to persuade the Khmer Rouge to rejoin the Cambodian peace process, ministry officials said Friday.

Tadashi Ikeda is scheduled to meet Khmer Rouge leader Khieu Samphan for talks Sunday. Ikeda will urge the faction to accept disarmament and demobilization of its troops.

Japan plans to dispatch engineering troops of the Self-Defense Forces to Cambodia in October to participate in UN peacekeeping operations, officials said.

Mitsubishi Firm To Explore for Oil in SRV

OW2108111392 Tokyo KYODO in English 1057 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 KYODO—Mitsubishi Oil Co. established a new firm Friday to explore for oil deposits in Vietnamese territory, company officials said.

Japan Vietnam Petroleum Co. is capitalized at 900 million yen. Mitsubishi Oil has 86 percent of the total equity shares, Mitsubishi Corp. 11 percent, and Mitsubishi Petroleum Development Co. 3 percent, they said.

The headquarters of the new company is located in Tokyo.

Mitsubishi Oil has already obtained oil development rights from the Vietnamese Government for an offshore area about 100 kilometers southeast of Ho Chi Minh City.

The new firm is also in charge of searching for and developing oil in the area, the company officials said.

KDD Corporation To Cooperate With Mongolia

OW2008132092 Tokyo KYODO in English 1202 GMT 20 Aug 92

[Text] Tokyo, Aug. 20 KYODO—KDD, a major Japanese international communications corporation, Thursday concluded a cooperation arrangement with Mongolian Telecommunications Co., the Japanese firm said.

KDD said the Mongolian company is the 19th common carrier with which it has agreed to team up in 16 countries.

Cooperation will be centered on the exchange of company officials and publications on communications, KDD officials said.

A subsidiary of KDD has been awarded a contract by the Mongolian Government to offer consulting services for the construction of earth stations for communications satellites belonging to the international telecommunications satellite consortium (INTELSAT).

ODA to E. Europe, Africa, Indochina To Grow

OW2108093492 Tokyo KYODO in English 0853 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 KYODO—The Foreign Ministry disclosed plans Friday to increase Japan's official development assistance (ODA) to East Europe, Africa, and Indochina in the fiscal 1993 budget.

The aid will be designed to facilitate democratization and the transition to market economies, ministry officials said.

It will be used specifically to finance the importation of raw materials and transport equipment, as well as the training of personnel by Japanese experts, the officials said.

They said the ministry will request general-account budget appropriations of 526 billion yen for ODA, the "ceiling" amount set under budget request standards. The amount is up 9.4 percent from the initial fiscal 1992 ODA budget.

The government's entire ODA budget request is expected to top 1 trillion yen, exceeding the ceiling by 0.2 to 0.4 percent.

The Foreign Ministry's ODA budget request will also emphasize the need for environmental protection, closer evaluation of aid projects, and assistance for projects pursued by nongovernmental organizations, the officials said.

LDP's Watanuki Skeptical of Political Reform

OW2008125192 Tokyo KYODO in English 1219 GMT 20 Aug 92

[Text] Nagoya, Aug. 20 KYODO—Liberal Democratic Party (LDP) leader Tamisuke Watanuki expressed pessimism Thursday that the ruling party could effect sweeping political reform by the November deadline set by Prime Minister Kiichi Miyazawa.

With other pressing political problems, "it will be difficult to reach a conclusion in November," the LDP secretary general said in a speech in the central Japan city of Nagoya.

Watanuki also indicated the LDP will do its utmost to rectify a disparity in the values of votes among House of Representatives constituencies by adding one seat each to nine underrepresented electoral districts and removing one each from 10 overrepresented ones at the outset of an extraordinary Diet session in the fall.

The Supreme Court ruled in 1983 that a disparity in vote values exceeding 3-to-1 runs counter to the Constitution's principles of equality but it refused to order an end to the voting-strength discrepancies.

Watanuki's remarks are thought to indicate his skepticism on quickly thrashing out a comprehensive political reform plan within the party, as well as to indirectly

criticize Miyazawa for failing to show a clear stance about the scheme, political analysts said.

He also said the proportional representation system in House of Councillors contests must be reconsidered.

Watanuki said there are many problems to discuss before the sweeping political reform, such as whether a small or middle-sized constituency system is better for lower house elections.

Taking up such issues would make sweeping political reform by November "increasingly difficult," Watanuki said. "We must get rid of the state of unconstitutionality while dealing with an immediate reform plan."

He forecast the fall extra Diet session would not be convened before October, citing the time necessary to prepare a supplementary budget bill as part of the government's efforts to stimulate the economy.

But Watanuki expressed a desire to launch effective economy-spurring measures regardless of when the Diet is convened.

"We do not want to be told the pump-priming measures came too late because the Diet session was convened in October," he said.

Stronger Ties With Citizens' Groups Urged

OW2108103292 Tokyo KYODO in English 0819 GMT 21 Aug 92

[Text] Atami, Shizuoka Pref., Aug. 21 KYODO—Makoto Tanabe, chairman of the Social Democratic Party (SDP), said Friday his party should strengthen ties with reform-oriented citizen's groups in the wake of the SDP's poor performance in the July upper house election.

Tanabe unveiled the new strategy for gaining political power as he delivered an opening address at the meeting of secretary generals of prefectural party branches in Atami, Shizuoka Prefecture.

The head of Japan's largest opposition party said the party should learn and incorporate the experience and knowledge of civilian groups as the party constructs its new policy line, and stressed that the party should unleash itself from the belief that it is in itself progressive.

Tanabe said the party should establish foundations for a new alliance with grassroots groups to cooperate in policy making and recruiting would-be candidates from among civilian groups for national elections.

Tanabe attributed the party's poor showing in the July 26 House of Councillors election to inconsistent SDP policies.

Although the SDP confronted the Democratic Socialist Party (DSP), which split from the SDP in 1960, over the United Nations Peacekeeping Operations Bill in the Diet, in some constituencies the SDP jointly fought with the DSP in the July election.

Tanabe expressed apologies over the poor showing in the election, but refrained from commenting on his own responsibility.

Watanuki Proposes Establishment of Holding Firms

OW2008131792 Tokyo KYODO in English 1021 GMT 20 Aug 92

[Text] Nagoya, Aug. 20 KYODO—The secretary general of the Liberal Democratic Party (LDP) proposed Thursday that the government allow business corporations to set up holding companies.

"Japanese corporations should be allowed to establish holding companies (which are now prohibited under the antimonopoly law), just like companies overseas are permitted," Tamisuke Watanuki said.

He also suggested that Japanese corporations be allowed to buy their own shares and that the taxation system on land be changed if necessary to stimulate land transactions which have been stalled due to the bursting of the "bubble economy."

Watanuki made the proposals in a speech at a meeting in Nagoya with local business leaders, referring to a package of pump-priming measures scheduled to be adopted by the government August 28.

If Japanese corporations are allowed to establish holding companies and buy their own shares, it is expected to help rectify a supply-demand imbalance on the stock market, which is widely seen as a main factor behind the current slump.

Both activities are currently prohibited by the antimonopoly law to prevent a recurrence of oligopoly by zaibatsu or financial clique.

Watanuki, however, called for changing the regulations, while criticizing the Ministry of Finance and the Bank of Japan as "overly optimistic" about the economic outlook.

"The (economic) situation now is not in usual business cycle. We are seeing an asset deflation," said Watanuki. "Fiscal measures alone are not enough to boost the economy. Monetary steps as well need to be taken."

He called for better use of postal savings account funds in the government's fiscal investment and loans program.

Tokyo 'Not Considering' Consumption Tax Rise

OW2108043392 Tokyo KYODO in English 0311 GMT 21 Aug 92

[Excerpt] Tokyo, Aug. 21 KYODO—The government is not considering raising the 3-percent consumption tax at the moment, a government source said Friday.

"I can't say it will never happen in the future, but that (a consumption tax increase) is not in the mind of Prime Minister Kiichi Miyazawa," the source said.

Ichiro Ozawa, former secretary general of the ruling Liberal Democratic Party, on Thursday called for raising the consumption tax to cover the shortfall of other tax revenues and to finance the nation's commitment to international peace projects.

The source went on to say that given the current stock market conditions, it would be impossible for the government to allow the sale of East Japan Railway Co. shares or to sell more of its Nippon Telegraph and Telephone Corp. (NTT) shares. [passage omitted]

Prospecting Well Turns Up Oil, Gas in Akita

OW2008052892 Tokyo KYODO in English 0442 GMT 20 Aug 92

[Text] Tokyo, Aug. 20 KYODO—Japan Petroleum Exploitation Co. has successfully drilled for oil and gas in Japan's northeastern prefecture of Akita, company officials said Thursday.

A prospecting well drilled by the Tokyo-based company reaches five oil deposits at a depth of some 1,650 to 1,950 meters, and has a daily output of about 3,491 barrels of crude oil and 44,630 cubic meters of natural gas, the officials said.

They said the company bored the 2,000-meter deep well from June 30 through July 20 in Yuri, Akita Prefecture, about 350 kilometers north of Tokyo.

The company also plans to exploit oil deposits in surrounding areas, they said.

Japan's annual crude oil production is about four million barrels, or only about 0.3 percent of its total yearly consumption.

North Korea

North, South Hold Military Subcommittee Contact

SK2008133192 Pyongyang Korean Central Broadcasting Network in Korean 1210 GMT 20 Aug 92

[Text] The third contact of members of the Military Subcommittee of the North-South high-level talks was held in camera in the conference room of the Neutral Nations Supervisory Commission today at Panmunjom.

At the end of the contact, a member of our side gave a briefing on the contact at a press conference.

He said: Our side first noted the existing serious problems that must be overcome in discussing the annexed agreement. Our side made clear its principled stand on the problems. First, the South side should include, without fail, in the annexed agreement steps that are absolutely necessary for implementing nonaggression; second, the two sides should carry out the discussion of the annexed agreement as agreed upon at the contact of the two sides' chairmen; and third, the two sides should discuss the texts of the annexed agreement on the basis of not raising artificial obstacles by using too much detail to classify the contents.

Our side pointed out that it is basically the South Korean authorities that have kept on kicking up a commotion concerning our non-existent nuclear issue. They, not content with the commotions of the Focus Lens war exercise which they set off in cahoots with the United States, are about to conduct the powder-reeking ROK-U.S. field maneuvers beginning 1 September. This is the same date which it had earlier promised as a deadline to complete the deliberations on the annexed agreement deliberations on nonaggression. Serious problems have arisen. Our side exposed and condemned the acts of the South side. Their suggestions that the two sides conduct negotiations while at the meeting and once outside the meeting venue; and their acts of undisguised nuclear commotions and war exercise commotions against the other party of the talks are nothing but deliberate anti-dialogue maneuvers designed to not implement the North-South points of agreement and return North-South talks back to the starting point.

Struck dumbfound in the face by our side's just and fair probing, the South side heaped on poor excuses, arguing that those problems have nothing to do with the talks or that it, too, tries to be faithful to the North-South points of agreement.

Our side strongly warned the South side to keep in mind that, if the South side constantly kicks up moves against the Republic and eventually delays the implementation of the North-South agreement, it will commit an indelible crime before the country and nation. Our side urged the South side to act with discretion.

Our side began the discussion of the text of the annexed agreement on nonaggression. From the sincere stand to conclude the annexed agreement by 1 September at any cost required by the points of agreement between the two sides, our side presented once again a new amendment and urged the South side to complete the drafting of the text of the annexed agreement based on our side's amendment.

The South side came to the contact empty-handed, without any amendment. It doggedly insisted on forcing into the annexed agreement from the beginning provisions on seeking division and depending upon outside forces, which it had earlier presented. For this reason, no agreement was reached on fundamental issues to realize nonaggression, such as a provision to refrain from building up arms in the areas along the Military Demarcation Line. No agreement was reached on refraining from joining a third country in the use of arms against the other side.

Our side reminded the South side that drawing up the annexed agreement on nonaggression by 1 September is an important issue to our nation's fate. It is a promise made before the nation. Our side urged the South side to resolve not only the issue concerning the country's peace

and reunification but also military issues from the independent stand of holding more dear its country and nation than outside forces. Our side also urged the South side to make a breakthrough in the adoption of the annexed agreement by accepting the nonaggression provisions proposed by the North side to settle the fundamental nonaggression issues.

Both sides agreed to hold the seventh meeting of the Military Subcommittee on 26 August.

North-South Cooperation, Exchange Contact Noted

SK2108104492 Pyongyang KCNA in English 1031 GMT 21 Aug 92

[Text] Panmunjom, August 21 (KCNA)—The sixth contact of members of the Cooperation and Exchange Subcommittee of the North-South high-level talks was held behind closed doors in the conference room of the Neutral Nations Supervisory Commission here today.

At the end of the contact the member of the North side gave a news briefing.

According to him, at the contact the North side first recalled all the possible efforts it had made to work out an annexed agreement before the 5th of September, as agreed upon by the sides, bringing forward one amendment after another.

The South side, however, unreasonably insisted on its old division-oriented draft of the annexed agreement of which it revised only some secondary provisions. And it attempted to arrange the text in a self-opinionated manner in disregard of the agreement reached between the chairmen of the sides. Consequently, no progress was made at the contact.

The North side strongly called the other side to account for its attempts to bring the North-South relations back to the original state of confrontation by raising an open "nuclear" clamor and staging such war games as "Focus Lens" joint exercises and South Korea-U.S. field maneuvers against the dialogue partner, while talking about the annexed agreement at the negotiating table.

It strongly urged once again the South side to renounce its policy of dependence upon outside forces at an early date, honestly implement the points of the North-South agreement and to quickly send old Yi In-mo back to his native place where his wife and daughter are waiting for him, as demanded by the North, if it truly intended to settle the humanitarian issue in practice.

The sides agreed to have the seventh meeting of the cooperation and exchange subcommittee on September 3.

North, South Fail To Agree

SK2108125092 Pyongyang Korean Central Broadcasting Network in Korean 1210 GMT 21 Aug 92

[Text] The sixth contact of members of the Cooperation and Exchange Subcommittee of the North-South high-level talks was held today behind closed doors in the conference room of the Neutral Nations Supervisory Commission in Panmunjom. At the end of the contact, a member of the North side gave a news briefing.

According to him, the North side at the contact first recalled all the possible efforts it had made to work out a supplementary agreement before 5 September, as agreed upon by both sides, after bringing forward one amendment after another. But due to the South side's unreasonable insistence and delay tactics, the sides failed to conclude the drafting.

Our side made it clear that this is not because of differences in views on simple procedural matters but because of the South side's unjust position to use the drafting of supplementary agreements for some strategic purpose. Our side asked the South side to positively accept our most reasonable draft supplementary agreement, which is written to contribute to the nation's united development and reunification.

The South side, however, unreasonably insisted on its old division-oriented draft supplementary agreement on which it made revisions on only secondary provisions. It attempted to arrange the text in a self-opinionated manner disregarding the agreement reached between both sides' chairmen. No progress was made at the contact.

Our side said that it had come to firmly believe that the South side had no intention to implement the North-South agreement, which it earlier promised to do before the entire nation.

The North side strongly called the other side to account for its attempts to bring North-South relations back to the original state of confrontation by raising an open nuclear clamor and staging such war games as the "Focus Lens" joint exercises and ROK-U.S. field maneuvers against its dialogue partner, while discussing the annexed agreement at the negotiating table.

It strongly urged once again that the South side renounce its policy of dependence upon outside forces at an early date, assume a position to achieve national unity and consider its own country more valuable than anything else. It also urged the South to honestly implement the points of the North-South agreement. Our side strongly demanded: If the South side truly intended to settle the humanitarian issue, it should quickly send old man Yi In-mo back to his native land where his wife and daughter are waiting for him.

Both sides agreed to have the seventh meeting of the Cooperation and Exchange Subcommittee on 3 September.

South's 'Invariable Separatist Stance' Viewed

SK2108060792 Pyongyang KCNA in English
0448 GMT 21 Aug 92

["Invariable Separatist Stance of South Side"—KCNA headline]

[Text] Pyongyang, August 21 (KCNA)—NODONG SINMUN today comments on the separatist stance taken by the South side at the fifth contact of members of the Political Subcommittee of the North-South high-level talks held at Panmunjom on August 19.

At the contact, the South side came out with its old draft of the annexed agreement which included a unreasonable "general principle" ignoring the preamble and articles of the inter-Korean agreement and thus laid deliberate obstacles in the way of discussion.

In the socalled "general principle", the South side blindly insisted that the North-South relations are, internally, relations within the nation and, externally, "relations between member states of the United Nations" and these special dual relations must underlie the implementation and observance of all articles of the inter-Korean agreement.

The commentary denounces this argument of the South side as an attempt to freeze the present state of division and legitimate the existence of "two Koreas" and "two states," proceeding from the "theory of recognising the entities."

The news analyst says:

Not much penetration is needed to see that the "general principle" proposed by the South side is intended to define the North-South relations as relations between states and justify the creation of "two Koreas", taking advantage of the entry of the North and the South into the United Nations.

At the inter-Korean high-level talks and contacts of delegates, the South side officially withdrew such separatist words as "recognition of the entities" and "special relations between member states of the United Nations", sharply refuted by the North side. Doesn't this mean that the South side admitted their unreasonableness.

The South side's sinister attitude in insisting on the "general principle" eloquently shows that such anti-reunification stance and position of the South side are the very cause of the deadlock in the work of the Political Subcommittee for national reconciliation and unity and the delay of the work of other subcommittees for the implementation of the inter-Korean agreement.

Focus Lens Exercise Enters 'Full-Dress Stage'

SK2108053992 Pyongyang KCNA in English
0430 GMT 21 Aug 92

[Text] Pyongyang, August 21 (KCNA)—The aggressive "Focus Lens 92" joint military exercises which were started by the U.S. imperialist aggressors and the South Korean puppets on August 17 entered the full-dress stage on August 19, according to military sources.

The U.S. imperialists brought overseas-based F-117 Stealth fighter-bombers to the U.S. Air Force bases in South Korea and shipped in and deployed Patriot missiles at bases of the operational theatre.

On the 18th, they brought the 81,163 ton-class ultra-large aircraft carrier Ranger, the 9,407 ton-class missile cruise Valley Forge and the 8,040 ton-class destroyer Kincaid to Yokosuka port, Japan.

On August 19 they got frantic in an aerial warfare exercise and air-to-ground firing exercise to win air supremacy by letting fly fighter-bombers and VTOL assault planes in the sky above Kunwi, Oeyon islet and Anmyon islet within the framework of the "Focus Lens 92", while formations of fighter-bombers of the puppet air force which were flown in the sky above Tanyang, Wonju and Umsong ran wild in an exercise of surprise strikes at strategical targets in inland areas of the northern half of Korea.

On the same day the U.S. imperialists sent fighter-bombers and pursuit-assault planes to the sky above Pochon and Tongduchon to stage an exercise of covering a ground attack operation, and formations of armed helicopters and transport helicopters of the puppet air force which were sent to the sky above Chunchon and Hwachon staged an exercise of fire power support and airlifting for "commandoes" in those areas.

That day, a group of combatant ships of the puppet navy which were massed in the sea off Oeyon islet frantically staged a naval attack exercise under the cover of a flying group and warships of the puppet navy which sailed to the sea off Kunsan staged a naval battle exercise and a landing exercise to seize the control of the sea.

The warplanes which were mobilized in the aggressive "Focus Lens 92" joint military exercises in South Korea on August 19 totalled more than 600 and the warships over 120.

Yi In-mo's Daughter Urges Father's Speedy Return

SK2008114292 Pyongyang KCNA in English
1003 GMT 20 Aug 92

[Text] Pyongyang, August 20 (KCNA)—My father must be sent back home at once, said Yi Hyon-ok, daughter of Yi In-mo, a former war correspondent of the Korean people's army who is now detained in South Korea, in her article contributed to NODONG SINMUN today.

Recently, the South Korean authorities took Yi In-mo somewhere else, tormenting him. The daughter brands this as another harsh persecution of her father and a premeditated trick to frustrate the implementation of the inter-Korean agreement and the planned exchange of old parents' visiting groups and art troupes.

Yi Hyon-ok, deputy principal of the Kaeson senior middle school in Pyongyang, says in the article:

All my family cannot go to sleep every night, worried about my pitiable father and indignant at the South Korean authorities who took my father about although he can hardly move about.

There is no reason that my father has to be kept in South Korea. As already known, he should have been returned to his family at the time of the exchange of POWs because he was a war correspondent of the Korean People's Army during the last war started by the U.S. imperialists.

Nevertheless, the South Korean authorities kept him in prison for 34 years for the mere reason that he refused to convert and abandon his belief in a unified country, inflicting all sorts of severe punishments on him. They are persecuting him still today.

This shows that the South Korean authorities are separatists who impede the reunification of the country and that they leave no stone unturned in a bid to realise their dirty intention.

I firmly believe that the country will certainly be reunified and the repatriation of my father be realised by the united efforts of the 70 million Koreans.

Visiting Groups Exchange Depends on South

SK2108110692 Pyongyang KCNA in English 1008 GMT 21 Aug 92

["We Will Watch South Side's Attitude"—KCNA headline]

[Text] Pyongyang, August 21 (KCNA)—Whether the exchange of visiting groups is realized, or not, entirely depends on the attitude of the South side. We will watch its attitude.

NODONG SINMUN declares this in an article today.

The author of the article says:

The exchange of old parents' visiting groups and art troupes which was put on the order of the day in accordance with an inter-Korean agreement has been driven to a grave phase and its prospect is very critical. The responsibility for this wholly rests with the South Korean authorities who have created deliberate difficulties and obstacles in the progress of the solution of the problem, kicking up a row over our "nuclear issue" which raises no controversy.

The South Korean authorities are alleging that the other side is to blame for the rupture of the contact between Red Cross working-level delegates of the North and the South. This reminds us of the guilty party filing the suit first.

The nuclear development of the North is purely for peaceful purposes. This has been proven by two rounds of inspection by the International Atomic Energy Agency (IAEA). So, there is no ground to be dubious about the nuclear policy of the North.

The paper continues:

Unshakable is our will to promote the exchange of old parents' visiting groups and art troupes in conformity with the expectation and wish of the fellow countrymen. We will, in the future, too, continue to make all sincere efforts for the solution of this problem.

If the South Korean authorities are interested, if only a little, in the exchange of visiting groups, they must take a sincere stand for bailing it out of the crisis and withdraw the unjustifiable preconditions they have set, such as "nuclear problem".

Chongnyon Protests Russian Official's Remarks

SK2008054892 Pyongyang Korean Central Television Network in Korean 1100 GMT 14 Aug 92

[Text] In response to the recent absurd remarks by Russian Federation Deputy Premier Mikhail Poltoranin, members of the General Association of Koreans Residents in Japan [Chongnyon], including the director of the International Department of the Chongnyon Central Committee, visited the Russian Embassy in Japan on 12 August and called for the embassy to denounce Poltoranin's abusurd remarks and to apologize for them.

At the meeting with the counselor of the Russian Federation's Embassy in Japan, the International Department director said that Poltoranin's absurd remarks that recklessly slandered [the DPRK] Republic have evoked vehement indignation from all of the Korean compatriots in Japan.

In response, the counselor of the Russian Embassy in Japan said that the deputy premier's remarks were not the opinion of the Russian Government, but his personal remarks, and he expressed regret over this. The counselor said that he would immediately convey the Chongnyon members' protest to his home country.

Chinese Goodwill Group Visits Cemetery, Tower

SK2108064792 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 17 Aug 92

[Text] A goodwill group from the Chinese People's Liberation Army led by Song Qingwei, political commissar of the Jinan Military Region, laid wreaths at the Taesongsan Revolutionary Martyrs Cemetery and the Friendship Tower on 17 August.

Officers and soldiers of the Korean People's Army [KPA] and (Yin Guangdao), the PRC Embassy's military attache to our country, were on hand. KPA honor guards stood in front of the Revolutionary Martyrs Cemetery and the Friendship Tower.

The goodwill group lay a wreath at the Taesongsan Revolutionary Martyrs Cemetery first and then gave a silent prayer for the anti-Japanese revolutionary martyrs

who sacrificed their lives in the sacred cause of the fatherland's liberation and for the people's freedom and happiness. The guests then looked around the Revolutionary Martyrs Cemetery.

The visiting group also laid a wreath at the Friendship Tower and gave a silent prayer for the martyrs of the Chinese People's Volunteers who were sacrificed in the Korean war opposing the U.S. imperialist aggressors. Then the guests looked around the Friendship Tower.

Kim Yong-sun Meets Reunification Group Leader

SK2008123392 Pyongyang KCNA in English 1034 GMT 20 Aug 92

[Text] Pyongyang, August 20 (KCNA)—Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea, today met and had a friendly talk with Guy Dupre, secretary general of the International Liaison Committee for Reunification and Peace in Korea.

Envoy Bids Farewell to Lebanese Prime Minister

SK2108064492 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 16 Aug 92

[Text] Ambassador to Lebanon Kim Pong-kon paid a farewell visit to Lebanese Prime Minister Rashid al-Sulh on 13 August.

During the meeting, the prime minister asked the ambassador to convey his greetings of long life to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il. He expressed his firm faith that friendly relations between Lebanon and Korea will consolidate and develop with each passing day. He also said that he highly assesses and supports the DPRK Government and the Korean people's efforts for the country's reunification.

U.S. Christian Group Received by Kim Yong-son

SK2008000192 Pyongyang KCNA in English 2226 GMT 19 Aug 92

[Text] Pyongyang, August 19 (KCNA)—Kim Yong-son, chairman of the Foreign Affairs Committee of the Supreme Peoples Assembly of the DPRK, today met and had a friendly talk with the delegation of the National Council of the Churches of Christ in the United States (NCCCUSA) headed by its President Syngman Rhee [name as received].

Received by Kim Il-song

SK2008114392 Pyongyang KCNA in English 1031 GMT 20 Aug 92

[Text] Pyongyang, August 20 (KCNA)—The great leader President Kim Il-song today received a delegation of the National Council of the Churches of Christ in the U.S.A. led by its President Sungman Yi on a visit to Korea.

Present on the occasion were comrade Yun Ki-pok and chairman Kang Yong-sop and general secretary Ko Ki-chun of the C.C. [Central Committee], the Korean Christians Federation.

President Kim Il-song talked with the guests in a cordial and friendly atmosphere.

The guests presented him with a gift.

He hosted a luncheon for them.

Nation's Local Industry 'Rapidly Developing'

SK2108003292 Pyongyang KCNA in English 1511 GMT 20 Aug 92

[Text] Pyongyang, August 20 (KCNA)—Local industry is rapidly developing in Korea.

The Changsong joint conference of local party and economic functionaries in August 1962 is of historical significance in the development of local industry.

At the conference the great leader President Kim Il-song delivered the historical concluding speech "Let Us Radically Improve the People's Living Standards by strengthening the role of the country and further developing local industry and agriculture."

He advanced a policy of developing local indusory and constantly improving the people's living standards by making a good utilization of mountains in-mountainous areas and the sea in the coastal areas in keeping with the geographical conditions of each locality and by effectively tapping all the favorable conditions and reserves in local areas and turning them to maximum account.

After the conference local industrial factories were built on an extensive scale in all cities and counties of the country in conformity with the local features.

As a result, local industrial factories in the cities and counties increased to some 10 on an average in a short period and to more than 20 toward the end of the 1960's.

They produce quantities of foodstuff, manufactured goods, and daily necessaries from the abundant local raw materials and resources.

At present, the proportion of local industries accounts for far more than a half in the nation's production of consumer goods.

Local industry has made a rapid progress both in quantity and quality in Sakju and Changsong which are situated in the inland area of North Pyongan Province in the Northwestern part of Korea.

Sakju County has now more than 40 local industrial factories which produce foodstuff, textiles, cement, building materials, automation appliances, furniture, etc.

The Sakju foodstuff factory with a total floor space of more than 24,000 square metres has been built along a modern line. It can annually produce scores of tons of

taste-approver, several hundred tons of oil, some 1,000 tons of processed vegetables, over 2,000 tons of candies and nutritive food for children, to say nothing of soy and bean paste.

The production capacity of the factory has jumped several times in 30 years, the variety of products increasing by more than 80.

More than 500 kinds of consumer goods produced in Sakju County now find their way to other counties after satisfying its need.

Canned mushroom, Insam (Ginseng) wine, pullo wine, etc. have won high appreciation in foreign markets.

Changsong County, 95 percent of whose area is covered with mountains, is developing industries in reliance upon resources of mountains, tending them well.

Large quantities of tasty and highly nutritive foodstuff, manufactured goods, daily necessaries, etc. are produced annually with tens of thousands of cubic metres of timber and various kinds of wild fruits and edible herbs picked through a massive movement including some 1,000 tons of wild grapes, rocambole and berries.

South Korea

Further Reportage on ROK-PRC Diplomatic Ties

Protocol To Be Signed 24 Aug

SK2108135892 Seoul KBS-1 Television Network in Korean 1200 GMT 21 Aug 92

[Text] Our country and China will sign a protocol establishing diplomatic relations in Beijing on 24 August and will establish official diplomatic relations between the two countries. With the establishment of diplomatic relations with China, we will have formal diplomatic relations with all neighboring countries, including Russia. The establishment of diplomatic relations between the ROK and China will be announced simultaneously in Seoul and Beijing on 22 August. Reporter Kim Chin-su reports:

[Begin Kim Chin-su recording] The ROK and China will sign the protocol establishing diplomatic relations on 24 August and will establish official diplomatic relations. An authorized government official said that the ROK and China have decided to sign the protocol establishing diplomatic relations between the ROK and China at a meeting of the two countries' foreign ministers slated for 24 August in Beijing.

The official revealed that Foreign Minister Yi Sang-ok will begin a three-day visit to China on 23 August. He said that the texts of the protocol for establishing diplomatic relations between the ROK and China have been arranged. He added that the ROK and China have only to sign the protocol. The official revealed that the official announcement of the establishment of ROK-PRC diplomatic relations will be announced simultaneously in Seoul and Beijing on 22 August.

This official also said that President No Tae-u would visit China not long after diplomatic relations are established. He also said that a top Chinese leader, President Yang Shangkun or Premier Li Peng, will almost certainly visit the ROK after President No's visit to China, even though it is difficult to predict when.

During the meeting of the Economic and Social Commission for Asia and the Pacific in Beijing, ROK Foreign Minister Yi Sang-ok and Chinese Foreign Minister Qian Qichen agreed in principle to establish diplomatic relations between the two countries. The normalization of relations has been withheld because of the North Korean relations issue as well as other issues.

The ROK and China have so far held foreign ministerial talks on three occasions in Beijing and New York to normalize relations between the two countries. Ambassador No Chae-won, at the ROK Trade Representative Office in Beijing, and Chinese Vice Foreign Minister Xu Dunxin have had official contacts on several occasions. As a result, the two countries have reached an agreement to establish diplomatic relations.

Diplomatic relations between the two countries will pave the way for the passage of one country's planes over the other's territorial airspace and the opening of direct air routes between the two countries. This will greatly expand exchanges of people and goods. The two countries will exchange correspondents, which will facilitate the flow of information. They will develop close relations in the political, economic, social, and cultural fields.

A concerned official in the ROK Foreign Ministry said that Foreign Minister Yi Sang-ok called Chin Shu-chi, Taiwanese ambassador to the ROK, this afternoon and informed him of the ROK's decision to establish diplomatic relations with China. Ambassador Chin then officially protested, expressing strong dissatisfaction with the ROK Government's establishing diplomatic relations with China. The Taiwanese Government will sever its diplomatic relations with the ROK in the near future. [end recording]

PRC Delegation To Arrive 24 Aug

SK2108085492 Seoul YONHAP in English 0822 GMT 21 Aug 92

[Text] Seoul, Aug. 21 (YONHAP)—A group of nine Chinese officials led by Assistant Foreign Economic Relations and Trade Minister Tian Runzhi will arrive in Seoul for working-level trade talks Monday [24 August], the Trade and Industry Ministry announced Friday.

Tian will be the first senior Chinese official to visit Seoul in his official position at the invitation of the government. His trip returns first assistant trade and industry minister Yu Tok-hwan's visit to Beijing in March, the ministry said.

A working-level meeting is slated at the integrated government office building in Kwachon on Tuesday morning.

During their six-day stay here, the Chinese officials will visit several government agencies, including the foreign and finance ministries and the Economic Planning Board, and call at trade organizations such as the Korea Trade Promotion Corp. and the Korea Foreign Trade Association.

They will also tour industrial plants, including those of Samsung Electronics Co., Pohang Iron and Steel Co. and Hyundai Motor Co.

PRC 'Source' Cited on Ties

SK2108021992 Seoul YONHAP in English 0145 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 (YONHAP)—Japanese newspaper ASAHI SHIMBUN reported Friday [21 August] that it had confirmed South Korean Foreign Minister Yi Sang-ok's plan to visit China and sign a memorandum of understanding on normalization of diplomatic relations.

In a Beijing-datelined story, ASAHI quoted "an informed Chinese source" as confirming the visit on Sunday and saying an official announcement of normalization would come Monday.

"Upon normalizing relations with China, South Korea is likely to sever ties with Taiwan but retain economic relations," the newspaper quoted the source as saying.

The influential newspaper, in a Seoul-datelined story, cited a Korean source as saying the Seoul government had already notified the Taiwanese Embassy of developments in Seoul-Beijing talks on normalization.

"The immediate reaction of Taiwanese Foreign Minister Fredrick Chien to the news that Seoul and Beijing had agreed to normalize relations may be translated as an action to minimize the impact on the people following the severance of ties with Seoul," the paper said.

The YOMIURI SHIMBUN quoted "a reliable Chongwadae [presidential house] source" in Seoul as confirming earlier Taiwanese reports that South Korea and China had agreed to normalize relations.

"The two sides have reached agreement to the visit to China of South Korean President No Tae-u within this year," the source added.

"The contacts between Seoul and Beijing this time were made possible following the visit to China of Kong No-myong, director of the Institute of Foreign Affairs and National Security, Aug. 15 in the name of attending an academic seminar in Shanghai," the source said.

"After a series of talks, the two sides are now on the verge of signing a basic agreement and a memorandum of understanding."

Japanese newspapers have played up the immediate normalization of relations between the one-time foes for the last two days and dealt in depth with possible repercussions for Northeast Asia.

The papers observed that the establishment of diplomatic ties between Seoul and Beijing may accelerate the end of the cold war in Asia and affect the realignment of power in the region.

North Korea, estranged by the normalization, may speed up its diplomatic activities to normalize relations with Tokyo, the papers added.

PRC Said Consulted North on Ties

SK2108022292 Seoul YONHAP in English 0201 GMT 21 Aug 92

[Text] Tokyo, Aug. 21 (YONHAP)—A senior Chinese Foreign Ministry official has made it clear that China does not see normalizing its relations with South Korea as a problem requiring concern for North Korea, Japanese daily the MAINICHI SHIMBUN reported Friday [21 August].

"The normalization of China-South Korea relations does not carry any conditions such as advancement of Japan-North Korea diplomatic relations and is pushed for independently," MAINICHI quoted the official as saying in Beijing.

"It has never been thought that normalization of China-South Korea relations must be delayed because of considerations for North Korea."

The Japanese daily quoted another Chinese source as saying, "China made a decision at the end of last year to normalize its relations with South Korea some time this year and has henceforth kept consulting North Korea on it."

Theft at PRC Office Reported

SK2108061392 Seoul YONHAP in English 0559 GMT 21 Aug 92

[Text] Seoul, Aug. 21 (YONHAP)—South Korea and China had planned to sign a protocol and announce the establishment of diplomatic relations in early August, but were delayed by about 20 days to Aug. 24 by a break-in at the Chinese Trade Representative Office in Seoul.

Korea and China had agreed in principle to establish diplomatic ties in July and to sign an agreement in early August, according to a well-informed Korean Government source.

They were forced to postpone the signing until Aug. 24 because someone broke into the office of the China Chamber of International Commerce in Mugyo-tong, downtown Seoul, and stole "a considerable" number of diplomatic documents and several hundred U.S. dollars in cash.

Beijing insisted there was a strong possibility the theft was perpetrated by anti-Chinese organizations, including the Taiwanese Embassy, in Seoul, the source said.

The Chinese Government asked the South Korean Government to conduct a fast and thorough investigation into the theft and report its results to the Chinese authorities, the source said.

The source, who declined to be identified by name, said it had also lodged a strong diplomatic protest with the Seoul government and asked for measures to prevent such incidents in the future.

Upset by the robbery, the Chinese Government threatened not to sign the agreement unless the South Korean Government guaranteed the security of its representative office.

China finally agreed to sign the accord after the South Korean Trade Office contacted the Beijing government and asked it to sign the agreement within this month, the source said.

Against the Chinese claim, Korean law enforcement officials believe that it was a simple case of theft and not the work of the Taiwanese Embassy.

However, Taiwanese Foreign Minister Chen Fu told legislators Wednesday [19 August] that the Taiwanese Embassy in Seoul had obtained information that South Korea and China had signed a protocol to establish diplomatic relations in Beijing.

The China Chamber of International Commerce's Seoul trade office was set up April 7 last year but rejected a South Korean offer of police protection. That was the reason, officials here say, the Korean authorities did not provide any protection as they do to other foreign embassies and consular offices.

China made a formal request for police protection only after the theft, leaving peripheral surveillance to Korean police, the source said.

China and Korea eventually decided to go ahead and establish diplomatic ties because some undesirable developments were feared to take place as a result of the delay. They include possible losses in economic cooperation between Korea and China and rapid development in relations between Taiwan and North Korea, the source said.

Democratic Party Welcomes Ties

SK2108083092 Seoul YONHAP in English 0808 GMT 21 Aug 92

[Text] Seoul, Aug. 21 (YONHAP)—The main opposition Democratic Party [DP] welcomed Friday [21 August] the move by South Korea and China to set up diplomatic ties, but called on the government to preserve Korea's traditional friendship with Taiwan.

"We consent to the need to normalize Korea's relations with China as the diplomatic breakthrough not only is a development conforming to changes in the international order but can provide a favorable opportunity for peace on the Korean peninsula," deputy spokesman Pak Chi-won said in a statement.

"Despite the Foreign Ministry's formal denial, we cannot help but express concern at reports that South Korea offered 2 billion dollars in loans to China in return for diplomatic relations," Pak said.

Diplomatic normalization would earn a national consensus only if Korea strived to maintain a friendly relationship with Taiwan, he added.

The DP called on the ruling party to refrain from making political use of diplomacy during the presidential election.

Reporters Asked To 'Wait One More Day'

SK2108090892 Seoul YONHAP in English 0846 GMT 21 Aug 92

[Text] Seoul, Aug. 21 (YONHAP)—Foreign Ministry officials silenced a barrage of questions from reporters about South Korea-China diplomatic normalization Friday [21 August] by saying, "wait one more day."

High-placed sources expect the foreign minister to announce Saturday that he is going to Beijing on Sunday for a three-day visit to discuss diplomatic normalization.

They say the two countries are likely to establish official ties while Yi is in China.

Amb. No Chae-won, head of the South Korean trade representative in Beijing, arranged most of the details in China through meetings with Chinese Vice Foreign Minister Xu Dunxin after Yi's last visit to Beijing in April to attend the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP) session, according to the sources.

—Taiwanese Ambassador Charles King was recalled by his government and left Seoul Thursday, signaling a change soon in Seoul-Taipei relations.

Officials here say the government will follow international law and precedent in readjusting ties with Taiwan, but sources say it is most likely to turn over the Taiwanese embassy in Seoul to China.

China insists on a "one-China policy," but that only means Korea cannot maintain formal relations with Taiwan and a trade representative with consular functions does not fall in the category of "formal" relations, the officials say.

—Officials remained exquisitely sensitive Friday to reports from Taiwan that China was offered a 2 billion-U.S.-dollar loan in return for diplomatic normalization.

They say their reaction cannot but be sensitive because of the continuing criticism of Seoul's 3 billion-dollar aid package to Moscow at the time formal ties were cemented in September 1990.

"I stake my name on it that such loan was never discussed with China," a Foreign Ministry official said, refusing to give his name. "The government is well aware that the people would not allow such an arrangement with China."

—Foreign Ministry officials asked the forgiveness of Korean reporters Friday for keeping them in the dark about imminent Seoul-Beijing diplomatic normalization and having to learn about it from the foreign press.

The excuse was the need for complete secrecy to prevent "foul intervention" by opposing forces, namely North Korea.

"If North Korea knew of our move earlier, it may have used its old-time connections in the Chinese leadership to delay Beijing's decision to open full ties with Seoul," a ministry official said.

"We asked Taiwan when informing it of imminent diplomatic normalization to keep the secret well-guarded. The news was leaked in Taipei, but the reports quote Taiwanese lawmakers, not Foreign Ministry officials. We would like to believe that Taiwan did keep its promise of secrecy," he said.

DPRK, Taiwan Reportedly Hold Secret Talks

SK2008021992 Seoul YONHAP in English 0152 GMT 20 Aug 92

[Text] Tokyo, Aug. 20 (YONHAP)—North Korea and Taiwan had secret high-level talks in Taipei in early June, a month before North Korean Premier Kim Tal-hyon visited Seoul, a Japanese weekly says in its Aug. 28 issue.

The two countries discussed mainly economic issues at the clandestine talks, and Taiwan expressed its hope to take part in the Tumen River development project through the United Nations Development Program, the weekly ASAHI says.

North Korea's delegation included senior Workers' (Communist) Party officials and arrived in Taipei on June 5. The talks began June 8, after two days of tourism, it says.

The contact was politically significant in view of the level of the officials involved, the magazine says. It does not say how it came by its information.

Choe Chong-kun, chairman of the Koryo People's Committee for Industrial Development, Pak Chong-kun, head of the Kumgang-san group, and officials related with Hong kong-based Kumgang-san International Trading Co., were on the team from Pyongyang.

Choe is member of the party Central Committee and assumed the title of chairman of the industrial development committee in June, and Pak has close ties to Kim Chong-il, son and heir-apparent of President Kim Il-song.

The secret meeting took place prior to Kim Tal-hyon's trip to Seoul because North Korea thought fortified Pyongyang-Taipei ties would help in its negotiations with South Korea, according to the weekly.

They discussed bartering North Korean medicinal herbs, steels and ores for Taiwanese electronic home appliances, and Taiwanese investment in light industry in North Korea.

Taiwan Denies Reports

SK2108104992 Seoul YONHAP in English 1038 GMT 21 Aug 92

[Text] Seoul, Aug. 21 (YONHAP)—The Taiwanese Embassy in Seoul denied as "not true" Friday [21 August] some local press reports that Taiwan has been seeking to improve relations with North Korea to counter the move of South Korea to normalize ties with Beijing.

"The reports are totally not true. Until this moment, Taiwan has made no official contacts whatsoever with North Korea," the embassy said.

Embassy officials asserted that the reports on Taiwan's alleged approach to North Korea stemmed from an "attempt of South Korea to escape moral responsibility for its normalization with Mainland China."

The officials said that in Taiwan criticism was mounting over Seoul-Beijing normalization and some sectors were suggesting improved relations with North Korea.

Mayor of Tianjin Visiting Seoul With Delegation

SK2008042592 Seoul THE KOREA HERALD in English 20 Aug 92 p 8

[Text] Nei Bichu, mayor of Tianjin in China, flew into Seoul for an eight-day visit yesterday at the invitation of Chong Hun-mok, chairman of Hyundai Engineering & Construction Co.

The mayor, leading a seven-member delegation, will meet Korean government and business leaders to discuss ways to promote trade between Seoul and Beijing.

North, South Hold Exchange Subcommittee Contact

SK2108095092 Seoul KBS-1 Radio Network in Korean 0900 GMT 21 Aug 92

[Text] A members' contact of the Exchange and Cooperative Subcommittee of the North-South high-level talks was held in Panmunjom today. They discussed adopting an annexed agreement on the fields of exchange and cooperation. They agreed not only to conduct exchange and cooperation in the fields of publications and media, including television and newspapers, but also

to protect the intellectual property of both sides' literary works. They reached an agreement on an additional 11 clauses in all.

The North and South, however, failed to narrow differences on the clauses at issue regarding the removal of legal and institutional stumbling blocks to freely visit each other's regions. They agreed to hold the Exchange and Cooperative Subcommittee on 3 September and to continue to negotiate the relevant clauses.

In addition to the agreement on conducting media exchange and cooperation and on protecting the intellectual property of the other side's literary works, the North and the South reached an agreement on realizing free visits and contacts of citizens of the nation.

Both sides reached an agreement on cooperation and joint projects in social and cultural fields in the international arena. They agreed to support and guarantee exchanges and cooperation.

Patriot Missile First Deployed in South Korea

SK2108022892 Seoul THE KOREA HERALD in English 21 Aug 92 p 3

[Text] The ROK-U.S. Combined Forces Command [CFC] command post exercise Ulchi Focus Lens '92 marks the first deployment to Korea of the U.S. Army's Patriot missile system, a CFC spokesman said yesterday.

Two Patriot launchers and associated radar and fire control equipment from the 35th Air Defense Artillery Brigade, Fort Lewis, Wash. have deployed to Suwon Air Base for the exercise involving about 100 soldiers in the deployment, he explained.

The deployment experience has given members of the unit a chance to share their knowledge of the system with Korean military officers and VIPs.

Capabilities of the missile system include providing high- to low-altitude defense against aircraft and tactical ballistic missiles at the theater and corps level. Its fast reaction capability, proven during Operation Desert Storm, its high firepower, and ability to resist severe electronic countermeasures are features not previously available in the older Nike Hercules and Hawk air defense systems.

"Our mission is to maintain combat readiness and be alert for any situation that we might be called to support," said Sgt. Luis Gomez, a rader set section chief.

SRV Engineers 'Flooding' Hanoi Liaison Office

SK2008010192 Seoul YONHAP in English 0048 GMT 20 Aug 92

[Text] Bangkok, Aug. 20 (YONHAP)—South Korea began its diplomatic presence in Vietnam earlier this week with engineers flooding the temporary liaison office in Hanoi in search of information on training courses in Korea, Chong Ui-min, a counselor at the liaison office in Hanoi, said by telephone Thursday [20 August].

Consular affairs were expected to be the prime occupation of Korean diplomats in Hanoi now that Vietnamese citizens no longer had to apply at legations in nearby countries, Chong said.

Vietnam's first liaison officials will arrive in Seoul around mid-September.

A formal opening ceremony for the Korean liaison office will be held next month, timed with the arrival of the head of the office, Pak No-su.

Exports to SRV Rise Sharply in First Half Year

SK2008024092 Seoul YONHAP in English 0125 GMT 20 Aug 92

[Text] Seoul, Aug. 20 (YONHAP)—Exports to Vietnam by South Korea's eight general trading companies tripled in the first half of this year from a year earlier to 109,306,000 U.S. dollars, the Trade and Industry Ministry said Thursday [20 August].

The figure represented 81.4 percent of exports for the whole of 1991, when they amounted to 134,312,000 dollars.

The top item among the exported commodities was textiles, which accounted for 63,600,000 dollars, up 167.9 percent from the same period a year earlier. It was followed by fertilizer, 20.2 million dollars, up 48.9 percent; organic chemical products, 15.5 million dollars, up 125 percent; electric and electronics products, 16.7 million dollars, up 173.4 percent; and machinery, 12.1 million dollars, up 147.2 percent.

In addition, exports of gasoline amounted to 24.8 million dollars, up from 18.1 million dollars from a year ago.

By companies, Sunkyong Co. led the seven others with exports worth 30,197,000 dollars, or 12 times more than it exported in the first half of last year. It was followed by Kolon International Corp., which exported 24.9 million dollars, up 92.3 percent; Lucky-Goldstar International Co., 13.3 million dollars, up 177.8 percent; Samsung Corp., 12.8 million dollars, up 91 percent; Hyosung Corp., 9.5 million dollars, up 186.8 percent; and Daewoo Corp., 7.5 million dollars, up 19.8 percent.

Ssangyong Co., which was the second largest exporter to Vietnam last year with 19.3 million dollars, exported only 6.7 million dollars in the first half of this year. Hyundai Corp. came in last with 5.4 million dollars, up 90.1 percent.

Companies in Iraq Warned To Prepare for War

SK2108042892 Seoul YONHAP in English 0155 GMT 21 Aug 92

[Text] Seoul, Aug. 21 (YONHAP)—The Construction Ministry on Friday [21 August] instructed three South Korean companies doing business in Iraq to prepare for

an emergency evacuation of their Korean employees and to work out measures to protect their property in case war flares up again between the U.S.-led forces and Iraq.

Hyundai Engineering and Construction, Samsung Construction Co. and Han Yang Co. are currrently operating in southern Iraq. They have 16 Korean employees in the country and 873 pieces of heavy construction machinery, the ministry said.

Committee To Review Northern Investment Projects

SK2108041492 Seoul THE KOREA HERALD in English 21 Aug 92 p 8

[Text] Investments and/or natural resources development projects worth more than $5 million in the so-called "northern" countries are subject to prior government review starting today. So far all projects worth more than $2 million have been subject to the same measures.

Designed to facilitate private business advancement in such areas as China, the old Soviet Union and the East bloc nations, the decision was made in a meeting of the working-level Committee for the Northern Economic Policy Wednesday.

The committee is headed by Vice Economic Planning Minister Han Kap-su.

A total of 293 investment cases, worth $280 million, were made in the northern countries from 1985 to the end of May this year on the basis of Bank of Korea approvals, the Economic Planning Board [EPB] said yesterday.

The figure represents 5.2 percent of the nation's total overseas investment in 1991, up sharply from 0.8 percent in 1988.

China accounted for 87 percent of total investment cases.

During the period, investments below $2 million approved by the Bank of Korea made up 91.1 percent with 267 cases, followed by investments between $2 million to $5 million at 5.8 percent and those over $5 million at 3.1 percent.

In the old Soviet Union 23 investments were made during the cited period and seven in the East-bloc nations.

As of the end of May, investments exceeding $5 million and subject to prior government review numbered 14, accounting for 23.3 percent of the total 60 cases.

"Under the increased ceiling, about 15 large projects, including natural resources development and facility investments this year, are to be under preliminary government study, which would render local private businesses easy access to northern countries," one EPB official said.

Considering investments in those areas is growing, the committee also decided to include in the prior review clause the effects of investment on the local industry.

Part of Export, Import Procedures Revised

SK2108052992 Seoul THE KOREA HERALD in English 21 Aug 92 p 8

[Text] The Ministry of Trade and Industry has revised part of its "comprehensive notice" on export and import procedures, which will go into effect next Monday [24 August].

The revision includes the abolition of government licensing for starting export-import of medical and pharmaceutical goods. The export procedures of medicines and pharmaceuticals will also be relaxed from the mandatory recommendation by authorities to a reporting system, it said.

Also changed were the relegation of export-import permission administration to lower-echelon local autonomous heads, lifting of import bans on livestock and meat products from Finland as well as those on raw furs from France, and obligatory obtaining of safety approval upon importation of electronic typewriters, printers and monitors, according to the new notification.

ROK Satellite Sends Pictures to Ground Station

SK2108043392 Seoul YONHAP in English 0157 GMT 21 Aug 92

[Text] Taejon, Aug. 21 (YONHAP)—Nine days after it was lofted into the earth's orbit, South Korea's first satellite, Uribyol No. 1, sent down pictures of the earth to the ground station Thursday [20 August].

The satellite research center in Taetok near here announced Friday it succeeded in receiving images of the earth's surface from Uribyol at 3:37 A.M. and 6:03 P.M. Thursday.

Uribyol took the pictures at 2:41 A.M. and 3:59 P.M. (KST) [Korean Standard Time] as it was flying over Australia and the Antarctic, and transmitted them while it was over Korea, scientists at the center said. Following the success in picture taking and transmission, the center was checking an instrument collecting space particles, voice broadcasting equipment and an instrument that would relay messages between South Korea and Korea's Sejong science base on the Antarctic, they said.

The center said it would take about three more months before Uribyol took pictures of the Korean peninsula as the satellite is set to pass the Northern Hemisphere at night during these times.

Democratic Party Acquires New Faction

SK2008041292 Seoul YONHAP in English 0229 GMT 20 Aug 92

[Text] Seoul, Aug. 20 (YONHAP)—The main opposition Democratic Party [DP] acquired a new faction Thursday [20 August] with the inauguration of a "political group for democratic reforms."

The founding members included Reps. Pak Yong-suk, a Supreme Council Member, Yi Pu-yong and Chang Ki-uk, former lawmaker No Mun- hyon, and many dissident-turned assemblymen.

In its inauguration resolution, the group said it shared responsibility for Korean politics going adrift and was determined to bring about reforms in political areas, conduct local elections this year, revise or repeal laws that stand in the nation's democratization, and establish economic justice.

The group chose Rep. Pak Yong-suk as the chairwoman of its board and some 80 senior DP members were inducted as members of the board, the highest governing body.

The group is expected to influence the DP power lineup and political map after the presidential election, observers said.

*** North's Energy Shortage Causing Economic 'Woes'**

922C0211A Seoul NAEWOE TONGSIN in Korean No 802, 2 Jul 92 pp C1-C4

[NAEWOE article: "North Korea's Energy Shortage and Its Limping Economy—Pukchang Thermal Power Plant Shut Down, 'Weekly No-Car Day' Imposed"]

[Text] Seoul (NAEWOE)—The North Korean economy is limping in many aspects because of a serious energy shortage.

Hyon Chun-kuk, the responsible chief editor of the party organ NODONG SINMUN, while on a visit to Japan, insisted in a YOMIURI SHIMBUN interview on 28 June that the North Korean economy has no problems. The fact has been confirmed, however, that it is indeed in its worst condition currently, and that an absolute shortage of energy is the biggest factor responsible for the woes.

To show its seriousness, the shortage is not confined to any particular energy source but has critically afflicted every available source of energy for economic activities, including electricity, oil and coal.

The North Korean energy supply structure, based on the self-reliant chuche line, is designed to minimize dependence on imported and instead rely on maximum utilization of its own resources such as hydropower and coal. At a glance, it appears to be a type promising stability; in substance, however, this type of structure would invite disproportionate emphasis on different energy sources and, in the North Korean case, result in serious energy shortages.

In short, in the case of electric power, the established North Korean structure chiefly relies on hydropower, consequently causing a variety of problems such as high seasonal fluctuations in power output. The substitution of coal for oil led to increased demands for coal and, eventually, to the failure to smoothly supply coal to industrial sectors. Meanwhile, restrictions on oil imports have left North Korea unable to secure import sources, even the minimum oil import needed for industrial activities. These are the typical problems stemming from the energy supply structure. It can be said that North Korea's energy supply structure is thus responsible for its current energy crisis.

The energy shortages are critical indeed and they involve all the available energy sources, crippling the economy in so many ways.

30 Percent of Factories Shut Down

First of all, in electric power, the total capacity of North Korean power generating facilities, as of the end of 1990, was estimated at 7.14 million kw (ROK: 21.02 million kw) and its power output at 2.774 kwh (ROK: 10.77 million kwh). While North Korea's goal is to increase the output to 10 million kwh in the period of its third Seven-Year Plan (1987-93), the current level has not even reached 30 percent of the goal. It is because North Korea leans more to hydropower facilities than to thermal power plants, 60 to 40 (or 4.29 million kw to 2.85 million kw) in terms of the capacity of existing facilities, a factor responsible for deteriorations in the power output during the dry season (November-March). In addition, the oil crunch and stagnant coal production in recent years caused thermal power plants to markedly cut back operations.

In the case of thermal power plants, operations have lately declined from a 47 percent annual average to 37 percent. In particular, the Pukchang plant (1.7 million kw), the largest thermal power plant in North Korea, is known to have ceased its operation since the last part of 1990 because of a critical fuel shortage.

The total North Korean demand for electric power, as of the end of 1989, was estimated at 3.6 million kwh. In comparison with its output of 2.774 million kwh as of the end of 1990, this means, in simple arithmetic, a 74 percent self-support rate.

As the power shortage worsened, North Korea closed down about 30 percent of its factories and enterprises toward the end of 1990 and even the ones that survived the shutdown have been unable to operate properly. Thus, the current rate of operation is even below a 40 percent line.

To cope with this situation, North Korea expanded the "cross production" and introduced other programs in an effort to readjust per-time-zone power consumption and increase its efficiency. The effort has been less than successful, however.

The worsening power shortage is causing not only economic activities but also the livelihood of the population to wither across the board. Electric rail-line operations take more than twice the normally required time due to low voltage and frequent power outages, while streets are left with no lights at Pyongyang's outskirts, not to mention provincial cities. The power supply to all households stops at 2200 daily through 0500 the next morning;

in addition, it is not unusual that 30-minute to three hour power outages occur twice or three times daily.

As the electric power situation continued to deteriorate, in January 1991, North Korea launched an "Increased Electric Power Production and Conservation Movement" participated in by agencies concerned and the public, stressing that "an increased power output is a key to production growth in all the economic sectors." The movement is being pushed vigorously.

Endeavoring To Find Crude Oil Import Sources

As a measure for increased production, Pyongyang is urging earlier completion of power plants currently under construction. At the same time, it ordered the securing of power-generating water to ensure a maximum rate of operation for hydropower stations during the winter dry season, and the timely supply of coal to thermal power plants. In the power conservation movement, every party and government organization was told to make its plan for a 15 percent energy conservation and carry it out vigorously, and factories and enterprises not to put on unnecessary lights or use bulbs of unnecessarily high wattage.

The oil shortage is just as serious. North Korea needs a total of 3.5 million tons of crude oil—2.97 million tons for industrial use and 0.53 million tons for military use. Since the mid-1980's, however, it has been able to import only 2.6 million tons annually, or 70 percent of its total demand, including 1.14 million tons from China, 0.5 million tons from the former Soviet Union, 0.82 million tons from Iran, and 0.04 million tons form Libya. It has been known that the total 1990 import was 2.52 million tons. With the former Soviet Union demanding payment by hard currency for its oil, import from the former Soviet Union has radically diminished, further aggravating the oil crunch. In the 1991 case, despite the agreement on importing 300,000 tons of crude oil from the former Soviet Union, North Korea barely managed to import 40,000 tons.

As the crude oil import from the former Soviet Union became increasingly difficult, North Korea has recently been taking pains to shift its import sources to China and Iran. Boosting imports from China and Iran is not an easy task, however; furthermore, North Korean industrial facilities—tailored to fit the crude oil produced in the former Soviet Union—would inevitably have troubles in case the Chinese crude, inferior in quality to that imported from the former Soviet Union, is used as a substitute, causing setbacks in production activities. So, as a matter of fact, North Korea is experiencing a double difficulty.

As the oil crunch worsened, North Korea recently imposed restrictions on the use of automobiles, including the "weekly No-Car Day" program. It has been learned that a recent directive from Kim Chong-il banned the operations of all passenger cars and buses one day each week, except for motor vehicles mobilized for Category-One events, i.e., events involving Kim Il-song, and some other special cars.

In this connection, according to a disclosure by an informed Chongnyon source, the Central Committee of the Workers Party of Korea, in a recent official notice sent to the party's North Hamgyong Province Committee, stated that every Saturday had been designated as No-Car Day in Pyongyang since 20 June, and that the program should strictly be observed in provinces, too.

Earlier, in September 1988, the gasoline supply was discontinued even to the cars for members of the party Political Bureau, also by a directive from Kim Chong-il, forcing all the 11 Political Bureau members to walk to and from work. Now, the weekly No-Car Day program most pointedly shows the seriousness of the oil crunch in North Korea, for it—unlike a similar program in South Korea—has been caused by the oil shortage.

North Korea produced 33,000 cars a year and had a total of 264,000 of them as of the end of 1990.

The coal situation is relatively less severe compared with electric power and oil. While the demand for coal as a substitute energy source for electric power and oil has increased rapidly, its production remains stagnant because of the obsolete facilities and miners are relatively less willing to work. To cope with the situation, North Korea launched a campaign for increases in coal production while intensifying propaganda that coal is the "food for chuche industry." The campaign has been less than successful, though.

North Korea maintains that it produced 87 million tons of coal as of the end of 1990. The actual production, however, was estimated at about 43.3 million tons.

* Solutions for Combating Economic Recession

922C0221A Seoul HANGUK KYONGJE SINMUN in Korean 30 Jun, 1-4 Jul 92

[Article in four installments by Korea Industrial Development Institute director Paek Yong-Hun: "Long- and Short-Term Solutions for Combating the Economic Recession, and the Direction for Industrial Restructuring"]

[30 Jun p 3]

[Text] **Begin a New Start With New Industrial Structure**

[HANGUK KYONGJE SINMUN editor's note] Currently, our national economy is experiencing great difficulty. It is feared that if the ever-deepening economic erosion is left unchecked, it will even sap the spirit of rebound.

The forthcoming presidential election, scheduled for late this year, is itself regarded as a potential factor for economic disturbance, and the great change in the form of shift in power is likely to have great ramifications also. As a sequel to the previous series "The Economic Erosion Is Deepening," we are presenting this new series to find answers to the question of "how to deal with the recession."

In this series, Dr Paek Yong-hun, director of the Korea Industrial Development Institute (KID), a private research organization, will discuss long- and short-term economic policies and the direction for restructuring our national economy. [end editor's note]

Before taking up a new historic challenge, our national economy will have to go through the pains of learning new norms and truth. "How to realize a reliable national ethos" cannot but be a question of the highest priority for us. In truth, our society is in the most difficult phase in history since the last period of development.

Making a new beginning means making the declaration that we can no longer keep the econcmy going with anything old; therefore we need something new to get the economy going. What is most important for us is a comprehensive reshaping of the government's economic policy-making capability as well as the recovery of a reliable political leadership capability of looking ahead into the future.

The outmoded bureaucratism, steeped in the life of indolence, is absorbed in maintaining the status quo, sitting comfortably on the legacies of accumulated irregularities. Under this circumstance, it is impossible to make a new historic step.

The political resolve of a specific period means the staying power and tenacity of purpose to challenge all given conditions and circumstances, push ahead with new economic rules and order, and turn fortuity into necessity. This staying power takes upon itself the ultimate mission of solving economic problems in a period of uncertainty and change by plunging into the foremost front.

Government under the capitalist system can prove its worth, not by subjecting the economy to political ends, but only through the process of defining the direction, establishing principles, and presenting practical methods for the economy so that it may operate as it should.

There are roughly two most important things to do about our economy now. One is to regain the desire to work and self-confidence by eliminating the feeling of distrust prevalent in every stratum of society. The other is to revitalize the manufacturing industry. The economy should be managed by focusing on these two goals and finding necessary means as appropriate as possible.

Neglect of the manufacturing industry would signal the structural collapse of the Korean economy. The cause of any such collapse would be closely connected with distrust in policies and a lack of faith with the state. Where there is no no desire to work or invest, financial support will be to no avail and technological development will hardly be hoped for.

It is necessary for the government to show the people all the more clearly, not by word but by deed, the fact that it is leading the economy in the right direction. In this sense, the government's economic management strategy needs to be revamped wholesale.

The most important basic requirement of thinking for the policy planners and politicians who currently direct economic development is to create norms suited to the real state of the economy today.

Their task consists of establishing the sense of social values and the logic of economic progress as the guiding principle for the whole generation; setting the norm for building a futuristic economic structure by anticipating changes 10 or 20 years ahead; and clarifying the foundation of this thinking so that it may not collapse when it comes into conflict with actual experience.

A nation's economy is not a phantom. The economy moves in rhythms and waves on the basis of real things. These rhythms and waves as a whole prognosticate tomorrow's economic condition, be it a bust or boom.

Numerous research institutes in the periphery of the government make their own economic forecasts by presenting various models. In reality, one should realize that all macroeconomic models which fail to reflect the actual condition of the object economy are nothing but a phantom, however.

Basically, the economy may be divided into three channels: first, the foundation of production; second, the process of circulation and accumulation of wealth; and third, the household economy. Under what norm of order of growth these three channels bring about a booming wave or dissipate in a recessionary wind is the crux of the matter.

By economic norms are meant organization, order, law, system, and other multitudinous artificial devices by which a nation's economy is run. Sate organizations are in control of most of the norms, through which a large number of civil servants and quasi government employees, and their numerous backers, such as business organizations and watchdog establishments, seize the control of the economy.

Therefore, whether or not these norms are formulated correctly as a whole will determine the economic potential of a specific country in the long run.

Most of the basic norms by which our economy is operating now either date back to the period of the Japanese imperialist rule or are transplants from the Japanese system and laws after the liberation of Korea in 1945. As a result, our present norms still remain oppressive, binding all economic activities with as much regulation and control as possible.

One norm comes into conflict with another, and different systems operate at cross-purposes against one another. This phenomenon tends to aggravate the inconsistency of the economic order. These old economic norms need to be revamped wholesale at this juncture. Otherwise, no positive economic vitality based on autonomy and initiatives can prove effective.

It is appropriate to conclude that our economic management is now in a critical condition. The general economic crisis currently confronting us should be viewed as a crisis of economic norms in operation and management. Accordingly, an essential requirement for making an economic rebound is to rearrange the entangled economic norms, and, at the same time, work out epochal practical methods for positively gearing up for the augmentation of our national strength on the basis of revamped norms.

Until now ours has been a so-called quantity-centered, growth-oriented economic system led by development plans, operating under a management system with priority placed on set goals. The old development models not only have turned themselves into a great impediment to the initiatives for economic growth but also caused distortions to the 1990's, which is called a new decade of development. From now on, from a long-range point of view, our economy should search for a new mathematical economic function which is centered on quality and competitiveness and which will nurture a comprehensive capacity to seek an advance to a highly industrialized society and a transition to the stage of national maturity.

In order to remodel the economic structure and revamp the industrial competitiveness wholesale, it is necessary first of all to have a fresh power of determination, beginning with the determination to reallocate the country's available resources. There are numerous waste factors lying everywhere in the government machinery. The government should realize that waste factors in the government budget are increasing enormously. Naturally, it is impossible to leap into the ranks of advanced nations with these waste factors intact. Therefore, we should not overlook the incontrovertible fact that all responsibilities devolve on the government. The government itself should be reborn to make leaping strides for economic development.

[1 Jul p 3]

[Text]Government Urged to Revise Budget Allocation

Our government budget has expanded each year—as if the more, the better—and its substance each year has been as rigid as that in the preceding years. The size of the annual national budget has reached 40 trillion won (including the 1992 supplementary revised budget), and when the special account of 12 trillion is added, the size swells to 52 trillion won, or about 25 percent of the GNP. The scale of the special budget alone exceeds 3 trillion won a year.

An examination of each budget item seems to indicate that there is no room for reduction. Considering the current government machinery and its function, that impression is quite natural.

We should take a radically different view of the government budget from the standpoint of whether or not the present government machinery, investment agencies, auxiliary organizations, and government-funded organizations are properly organized in a manner suitable to the economic conditions of our country. The numerous government mechanisms and their subordinate organizations that are bound by the old Government Organization Law and the old norms still exist, demonstrating their immense power. In addition, the numerous functions which should be transferred to the private sector are hidden behind the government's authoritarianism.

The number of state employees alone has increased from 600,000 in the 1970's to the present level of 900,000, or one government employee for each 50 citizens in the population.

In addition, there are many government-funded agencies and government-subsidized organizations in the periphery of the government. The number of research institutes belonging to the government alone exceeds 60. There are 30 or more similar economic research organizations, each of which presents conflicting research findings. These research organizations are rather loosely managed under the outmoded norms and regulations, with their research themes and duties duplicated.

There is no cutting of the ever-increasing demand for budgetary allocation without taking radical measures against the snowballing tendency of the government machinery and subordinate organizations. In my opinion, what is needed is a bold blueprint to cut the budget by about 30 percent a year. A radical budget cut must be realized through a reduction and consolidation of the government machinery and a bold transfer of governmental functions.

The money saved through the government's budgetary reform should be invested heavily in the new domains of the state management strategy, such as the fostering of small and medium enterprises, support for investments in technologies, improvement of the farm and fishery community structures, expansion of the social overhead capital, and improvement of the welfare of the common people. In addition, it is necessary to mobilize all available fiscal resources to meet the fiscal demand of tomorrow. Many mutual-aid organizations, including the government annuity corporation, were established in the last period of development.

As of 1990, the combined amount of various funds that are public in nature, and privately managed funds amounted to 60 trillion won. The total number of funds was 67, which breaks down 37 government-managed funds (37 trillion won) and 30 private funds (25 trillion won). The amount of these funds far exceeds the size of an annual government budget, but in reality they are managed in the nature of the private coffers of government agencies or their subordinate organizations. These funds has increased by over 10 trillion won each year, and if the present tendency continues, the annual increment will exceed 50 trillion won a year in 1995. These fat funds are spent freely without being subject to parliamentary screening.

Most of these funds operate through the windows of city banks or are used in purchasing real estate and acquiring assets in an easy way. Many of them are having a hard time in their financial management because they do not know what to do with the surplus funds. The money in these funds is either tied up by the regulation over their use and by government controls or is kept idle.

It is urgent to find ways to use these funds to augment our national strength, expand the production bases, and realize a welfare society.

In particular, our public-sector enterprises consist, on the one hand, of corporations controlled by the central government, such as government-run enterprises, government-invested corporations, and government-funded enterprises, and on the other, of local government-controlled public corporations, such as city water works. Public corporations have continually expanded, thus assuming an increasing weight in our national economy. As of 1991, more than 350,000 employees were working in 21 government-invested corporations, with their combined gross sale exceeding 23,025.3 billion won and their combined assets totalling 106,783.7 billion won. The public sector enterprises account for 10.4 percent of the gross domestic product (GDP).

Investments in public enterprises has rapidly expanded with the scale of their fixed capital formation reaching 4,108.9 billion won (in 1991), or 15.6 percent of the nation's total fixed capital formation.

The problem is that our public corporations exist exercising their monopoly power in areas which they should yield to private enterprises and that the inefficiency of public corporations is manifesting itself in various aspects, such as: the process of investing; operation and management; the results of business operations; and managerial responsibility.

There have been many instances of overinvestment resulting from the errors committed by government investment agencies in estimating the demand for investments and from a lack of detailed analysis of the projected outcome of each capital investment. As a result, the utilization rate of capital investments falls below 77 percent of the projection. In addition, there are problems concerning the government's watchdog function. The government's control over price setting in public corporations is having the effect of securing monopoly profits for public corporations and promoting overinvestment. The government is regulating public corporations and interfering with them excessively where they should be assured of autonomy. On the contrary, where government controls are needed, there is an inadequate system of control or not enough regulation.

Improvements in the efficiency of public corporations should be sought roughly in three phases, namely, privatization of public corporation, introduction of a responsibility system of autonomous management, and reasonable regulation of prices and production. The main cause of the inefficiency of public corporations lies in an excessive interference by the government and the lack of the sense of being the master on the part of their management staff. Therefore, in order to increase their managerial efficiency, the privatization of public corporations should be sought on a selective basis by considering the economies of scale and the public character of public corporations.

Regarding those public corporations that do not easily lend themselves to privatization, the responsibility system of autonomous management system which is currently being applied to government investment agencies should be extended to them. Inasmuch as the responsibility system of autonomous management is aimed at preventing excessive government interference in business management and inspiring the managerial staff of public corporations with the sense of being the master, the government needs to have a firm determination to effect these changes as a precondition for expanding the system in question.

[3 Jul p 3]

[Text] **Aid to Manufacturing, Medium Industries Needed**

The international competitiveness of our manufacturing industry is weakening structurally.

Domestically, various conditions affecting international competitiveness are getting worse as is illustrated by rising wages, the ever growing manpower shortages, obsolescent equipment, inadequate investments in technologies, high prices, and high interest rates.

Externally, international market conditions are changing as evident from the Uruguay round of multilateral trade negotiations, the growing trade frictions, and the saturation of foreign markets with goods from the least developed among developing countries [LDDC's].

The situation is so urgent that we have got to work out radical measures to bolster the weakening production bases of our manufacturing industry and spur a wholesome desire to invest among our entrepreneurs.

In particular, the main feature of industrial development ahead will be the rapid pace not only of qualitative change within industry but also of a structural readjustment among different industrial sectors.

It will require considerable time and money to funnel capital and manpower from those outmoded industries lacking competitiveness into newly rising industries.

Therefore, it will be a central task in the structural readjustment of industry to minimize the readjustment cost, such as the loss of production incident to the process of restructuring, by ensuring that the factors of production shift smoothly from obsolescent to new industries.

As a matter of principle, the industrial restructuring should be carried out on the initiative of the private

sector in accordance with the principle of free competition. The government will have a role to play in correcting the failure of the market and cushioning any social and economic shocks anticipated from a radical structural readjustment, however.

Cases may arise where measures will be needed to minimize the temporary confusion arising from the readjustment process of the declining industries, measures which include dealing with the unemployed and revitalizing the local economies which rely heavily on declining industries. The need may also arise for support to those promising fledgling industries that are in the early stage of industrialization.

To this end, it is necessary to enact a "special law on promoting investments in new industries" (tentative name) and set aside the next two to three years as a period of structural adjustment for upgrading the productive foundations of the manufacturing industry in order to induce investments in production through special tax benefits to all funds invested in the manufacturing industry in this period.

In addition, the most urgently needed measure in the government policy on the industrial structure is that for supporting the restructuring process with medium and long term low interest rate financing. In the next two to three years the government should pursue an epochal industrial restructuring program by securing an annual revenue source of more than 5 trillion won to finance industrial restructuring.

Another key to industrial restructuring is making small and medium enterprises, which form the base of the industrial structure, settle firmly.

New emergency measures for small and medium enterprises should be worked out at a national level.

First, support aimed at preventing bankruptcies among small and medium enterprises should be increased in a large measure. Recently, an increasing number of small and medium enterprises have become bankrupt due to a manpower shortage, a drop in sales, and a credit crunch.

As an immediate measure to prevent bankruptcies among small and medium enterprises, it is necessary to secure an emergency support fund of a 1 trillion-won level to provide an emergency aid on the basis of the actual loan ratio in the past. It is also necessary to ease the lending conditions so that funding support may be expanded through the discounting of commercial bills.

It is necessary to increase the current ratio of the loan amount per dollar of export in export financing in order to strengthen the competitiveness of small and medium enterprises. It is also necessary to increase the mutual aid fund to the tune of 200 billion won to prevent the chain reaction of bad check issues.

Second, to ease the manpower shortage in small and medium enterprises, it is necessary to implement an epochal social welfare measure for workers employed in these enterprises in order to inspire them with the desire to work.

For instance, there should be a comprehensive preferential aid measure for workers in small and medium enterprises, such as housing aid, scholarships for children, the construction of nurseries to care for children of female employees, state subsidies to aged employees, and an annuity system for employees with licenses.

Third, the following measures are needed: enacting special legislation to foster small and medium-size local enterprises; making it obligatory for local governments to create a fund for fostering small and medium enterprises by considering their respective local peculiarities; and expanding the comprehensive local administrative machinery for local assistance.

Fourth, there are many instances of small and medium enterprises becoming bankrupt due to their inability to adapt themselves to the changing economic environment, as well as direct obstacles, such as the manpower shortages and limited funding. Therefore, a fundamental aid measure should be worked out to assist small and medium enterprises in developing new products and promoting technologies.

Alongside of these supportive measures for the manufacturing industry and small and medium enterprises, a restructuring of the financial industry must be carried out. The restructuring of the financial industry is unavoidable to back up the efforts to secure competitiveness and carry out a smooth industrial restructuring in keeping with the age of openness and globalization.

A new financial order must be established through, among other things, mergers or dissolution of existing financial institutions.

Nearly 60 new financial institutions have been established since 1988. The breakdown is: six banks, five local investment companies, 17 leasing companies, 24 insurance companies, and seven securities firms. This is a factor that makes financial restructuring a must.

Nevertheless, the revamping of the financial order must begin with the maximization of financial autonomy.

Financial institutions should be induced to compete with one another on their own initiative without government controls; and under this condition, the reorganization of the financial industry and readjustment of the business boundaries among financial institutions should take place spontaneously.

When financial autonomy is insured, weak uncompetitive enterprises will be eliminated whereas healthy enterprises will grow rapidly, and this will have the effect of accelerating the process of industrial structuring.

The government should ease all controls and let all financial institutions handle as wide a range of financial business as possible so that they may establish a system

of multiple-line financial operations. At the same time, it should also pursue the policy of specialization to have each financial institution develop the specialty in which it has a competitive edge.

[4 Jul p 3]

[Text] **Land Utilization Policy Needs To Change**

No country can create or import land. There is no other way but to preserve the given land. The face of our land has undergone a tremendous change under the development plans in the past half century. It has undergone frequent changes due to the following factors: the establishment of industrial estates, which have changed the topography of our mountains and fields; the expansion of cities and towns through urbanization; and the construction of dams. We may say that our land management is currently in a critical phase because of the anticipated rising demand for land in our industrial society.

The original plan for ushering in an age of a one-day living radius in which one can reach any point in the country and return in only one day has been shattered, and order in the layout of urban space has been deranged to the extreme. Today the condition of our land is deteriorating due to the ever increasing density of the urban population, the ever increasing pollution of the living environment, and the expediency of the development plan.

Of the 90,000 square kilometers of land, only 30,000 square kilometers, or 30 percent, is usable. Given this absolute limitation of the land resources, it is almost impossible to build a highly industrialized state.

The question of how to build a production base capable of producing a $20,000 per capita GNP in our limited land space in the next 10 years is the most serious of all problems today.

Demand for land is expected to jump as the nation tries to achieve the following goals by the beginning of the 21st century: manufacturing 8 million cars and trucks a year; constructing 600,000 housing units; building transportation facilities, including harbors, capable of handling 320 million tons of cargo; locating new industrial sites on 100 million pyong of land; constructing industrial centers totalling 100 million pyong in area; building distribution centers with a combined space of 50 million pyong; creating 20 million pyong of parking lots.

Last year, although the government used its administrative power to stabilize prices, consumer prices rose by 9.6 percent as against a 3.5 percent increase in wholesale prices. This reflects the fact that the transportation cost has increased rapidly in proportion to the traffic gridlock. In view of the increasing transportation cost, it will continue to be difficult to eliminate the structural factors that tend to push up consumer prices.

Time taken in covering the distance between Seoul and Inchon exceeds two hours, and ships have to wait at sea more than five days before unloading their cargoes at Inchon Harbor. These weak points of our land structure make it harder to expect the fruitful implementation of national development strategies.

The productivity of our land is very low, being only one-tenth of that of Japan and one-eighth of that of Germany. The low land productivity means a corresponding inefficiency of land utilization.

From a long-range view of reforming the land structure, we need to make a few bold decisions. First, we need to firmly acknowledge the contemporary change in which the basic thinking on land reform is adapted to the land-for-public-use concept.

In other words, as far as the utilization of land is concerned, we need to clearly delineate the limitations on its use and ownership, and establish a land management system under which land is not regarded as an object of ownership, but is subject to the public's right to use it.

Second, to remove the causes of the population concentration and density in Seoul and other major cities, special legislation should be enacted to transfer part of the taxes collected in major cities to local governments in the form of the local equalization tax.

Third, the state should actively study a measure to buy up the green belts around major cities with low-interest government land bonds on the assumption that these belts will be preserved permanently. The reason is that by so doing, the state will be able to utilize the idle land around cities in an economical way and maintain a planned permanent conservation system from a national point of view. Needless to say, a huge amount of funding will be needed for this purpose. But it is possible to devise a way by which to raise a sufficient fund from the public facilities built inside the green belts. If the government leaves the private land in the green belts unattended while curbing its use for no clear purposes, these pieces of land will end up garbage dumps, hastening the erosion of the green land surrounding the cities.

Fourth, the land transportation system in our country should be shifted from the Seoul-Pusan expressway system to that of the coast-to-cost cross-country expressways. To this end, we need to search for ways to utilize coastal transportation along our coast line which surrounds the country on the three sides, and work out a basic plan to shift the center of the commodity transportation function from island transportation to coastal transportation. Currently, Japan under a condition similar to ours relies on coastal transportation for one-third of the total volume of commodity transportation.

Fifth, we need a highly advanced transportation information system to utilize our land more effectively. In reality, the ratio of empty trucks that run on our expressways is 50 percent because trucks carry cargoes to their

destinations and run without cargo on the way back. In advanced countries such as Japan, the ratio of empty truck runs is less than 10 percent thanks to their transportation information networks. In preparation for the forthcoming transportation information age, we need to work out drastic measures to improve our current transportation information system. To this end, many forwarding companies should pool their efforts on their own to develop a networking system whereby they can transport cargo systematically through the transportation information centers in Seoul, Pusan, and major cities.

Sixth, for a balanced development of land, we need to increase the degree of financial self-reliance of local governments as soon as possible. It is impossible to revitalize the local economies and usher in an age of local autonomy without the financial self-reliance of local governments.

One way of achieving this self-reliance is a sweeping administrative reform aimed at boldly transferring to the local governments that part of the administrative function of the central government which still exists as a legacy handed down from the age of centralism, and a radical improvement of the economic administrative function of each locality. At the same time, it is necessary to enact a special measures law providing for a local finance equalization fund so that part of the national taxes may be used to boost the financial self-reliance of local governments.

As far as future land development is concerned, the government should actively promote a land utilization restructuring program from the point of view of governance and not from an administrative point of view. At the same time, it should improve the overall readjustment function of land management in order to curb population concentrations in large cities and narrow the development gap between the capital zone, large cities, and the countryside. In particular, the government should take special supportive measures in the form of financial and tax benefits in order to move administrative agencies, schools, and cultural facilities from large cities where they are concentrated to the countryside.

A comprehensive land development strategy which looks ahead into the 21st century must be formulated from a long-range point of view, in anticipation of increasing production and increasing demand for public welfare in keeping pace with sustained economic growth.

Burma

SLORC Releases 10 More Detainees

BK1808142892 Rangoon Radio Burma in Burmese 1330 GMT 18 Aug 92

[Text] It has been learned that nine males and one female, against whom action was taken under existing laws and who were serving their sentences, were released from jails in Prome, Bassein, and Henzada in accordance with Declaration No. 11/92 of the State Law and Order Restoration Council.

Delegation Returns From Thailand Border Talks

BK1908144592 Rangoon Burma Television Network in Burmese 1330 GMT 19 Aug 92

[Text] A Burmese delegation led by Major General Maung Aye, member of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma] and commander of the Eastern Military Command, accompanied by Maj. Gen. Soe Myint, member of the SLORC and commander of the Southeast Military Command, and nine other members, arrived back this evening in a special Air Force plane from Thailand after attending a special meeting of the Myanmar-Thailand Border Regional Committee.

The delegation was welcomed back at Rangoon airport by Maj. Gen. Thein Win, Air Force commander in chief; Commander Maj. Gen. Myo Nyunt, religious affairs minister; U Ohn Gyaw, foreign minister; and responsible officials from the Ministry of Defense and the Ministry of Foreign Affairs.

The Burmese delegation held discussions on Burmese-Thai regional border issues and bilateral relations with Thai military leaders during their stay in Thailand.

It has been learned that the Burmese delegation also paid courtesy calls on Thai Supreme Commander Air Chief Marshal Woranat Aphichari and other senior officials of the Royal Thai Army.

Foreign Minsitry Official Visits India

BK1908015392 Rangoon Radio Burma in Burmese 1330 GMT 18 Aug 92

[Text] An eight-member Burmese delegation led by U Aye, director general of the Political Affairs Department of the Ministry of Foreign Affairs, visited India from 11 to 14 August 1992 at the invitation of Mr. J. N. Dixit, foreign secretary of India.

While in India, the leader of the Burmese delegation called on Mr. R. L. Bhatia, minister of state for external affairs; Mr. M. D. Godbole, home secretary; Mr. N. N. Vohra, defense secretary; and Mr. A. V. Ganesan, commerce secretary.

The Burmese delegation held wide-ranging, candid, and cordial discussions with the Indian delegation led by Foreign Secretary Dixit on bilateral matters as well as regional and international developments.

Both sides shared a common desire to further strengthen the existing bilateral relations which are based on friendship, understanding, cooperation, good neigborliness and the five principles of peaceful coexistence.

The two sides also agreed to forge new measures of cooperation in combating drug trafficking and to expand bilateral trade and cultural exchanges.

The leaders of the Burmese and Indian delegations signed the agreed minutes of the discussions on 13 August.

Brunei, Malaysia & Singapore

Malaysia

U.S. Urged Not To Hinder Creation of EAEC

BK2008110592 Kuala Lumpur BERITA HARIAN in Malay 17 Aug 92 p 23

[Text] Langkawi, Sunday—The North American Free Trade Area [NAFTA] has been established to strengthen trade among its members and be protectionist, International Trade and Industry Minister Datuk Sri Rafidah Aziz said.

In this connection, she said that the United States, which initiated the pact with Canada and Mexico, should not hinder the establishment of the East Asian Economic Caucus [EAEC] which would not be protectionist.

"NAFTA tends to be protectionist by according special treatment to every Mexican item entering the U.S. and Canadian markets.

"EAEC is not designed to become a power but to serve as a forum to promote cooperation without certain regulations or restrictions," she said after inaugurating the national conference on the global economy sponsored by the North Malaysian University here today.

Rafidah said that the U.S. protest against the EAEC was also groundless because that country is not located in this region.

Malaysia maintains a clear stance of not hindering efforts by any parties provided they work toward establishing better understanding and creating greater markets.

"This stance must be explained to the United States so that that country will not regard efforts by other people as negative," she said.

She added that NAFTA should in no way practice economic discrimination and undermine the trade future of developing countries.

However, it is very obvious that NAFTA is discriminatory as it restricts the entry of goods from this region to the North American markets.

She also said that Malaysia was worried over the possibility that NAFTA might shift trade and investments, especially from Japan to Mexico.

"We are worried over a possible flow of Asian investments to Mexico and this will definitely affect the trade and investment climate in this part of the world," she said.

According to her, NAFTA will see Mexico become an industrial center because it borders on the great market.

Earlier in her speech, Rafidah hoped that the concept of liberal trade would be emphasized in the international markets.

She said that although most developing countries were facing trade restrictions, this problem could be overcome if global cooperation was expanded.

According to her, countries in this region should also practice an open investment policy and offer attractive investment packages to ensure effective investments.

Need Cited for UN Special Session on Bosnia

BK2008074692 Kuala Lumpur BERNAMA in English 0655 GMT 20 Aug 92

[Text] Kuala Lumpur, Aug 20 (OANA-BERNAMA)—Malaysia's effort together with members of the Organisation of Islamic Conference (OIC) to lobby the United Nations to have a special session of the General Assembly to discuss the atrocities in Bosnia-Hercegovina is aimed at increasing pressure on the UN Security Council to use force to resolve the problem.

Foreign Ministry Deputy Secretary-General Abdul Halim Ali said Thursday, Malaysia hoped that the UN General Assembly would come up with a strong resolution on the matter. Even though the General Assembly resolution will not be binding on the use of force as this can only be effected by the Security Council, the resolution will nevertheless increase pressure on the Security Council to resort to such action, he told reporters here.

Halim said Malaysia and its allies in the OIC would submit a resolution calling on the United Nations to urge the Security Council to take action under Article 42, Chapter 7, which provided for the use of force. Malaysia and the OIC countries were now working to get at least 89 countries to support the move. However, there has been no report on the support received so far, he said.

Malaysia felt it would not suffice for the UN Security Council to approve the use of force as a last resort to ensure food supplies and other humanitarian assistance reached the people of Bosnia-Hercegovina. We feel force should be used to resolve the problem, if necessary, Halim said. Malaysia, he said, wanted to alert the United Nations to act speedily apart from increasing pressure on the Security Council so that it would not be slow in resolving the problem in Bosnia-Hercegovina.

When the world body comes up with a strong resolution, how can the Security Council, which is part of the United Nations, be slow?, he said.

Mahathir on Development Link to Nation-Building

BK2008134392 Kuala Lumpur NEW STRAITS TIMES in English 19 Aug 92 p 1, 3

[Text] Kuala Lumpur, Tues.—The development of a multiracial country like Malaysia cannot be based entirely on economic dictates but should be implemented in the context of nation-building, Datuk Sri Dr. Mahathir Mohamed said today.

The Prime Minister said similarly, economic success should be measured by how far it could contribute towards national development and in achieving economic justice.

"Only through economic justice can we ensure the objectives of Vision 2020 are fully achieved," he said when opening the second Malaysian Chinese Economic Congress with the theme National Development Towards Vision 2020.

Among those who attended the conference were MCA [Malaysian Chinese Association] president Datuk Seri Dr Ling Liong Sik, Law Minister Syed Hamid Albar and Associated Chinese Chamber of Commerce and Industry president Tan Sri Wee Boon Ping.

"We have seen how other nations have crumbled because of their self-interests.

"Such selfish attitude will not benefit anyone and it must never be practised in a country like Malaysia which is trying to attain rapid development," he said.

Dr Mahathir said the spirit of cooperation and tolerance among the communities served as the foundation and prerequisite for achieving the objectives of Vision 2020 and the survival of Malaysia as an independent nation.

He said the spirit of cooperation and tolerance was important because it could guarantee stability and progress of the nation.

"If the growth rate of more than eight per cent attained since 1988 can be sustained Malaysia's hope of becoming a developed country by the year 2020 will be bright," he said.

Dr Mahathir called on the Chinese to accept with a positive attitude the Government's efforts to help the Bumiputeras in commerce and industry.

He said the objective of the National Development Policy (NDP) was to speed up economic growth apart from creating fair opportunities for everyone.

"This is the only suitable way to ensure stability and national unity in the future. Consistent with the NDP

the Govermnent will continue to help the Bumiputeras to bring them at par with non-Bumiputeras in commerce and industry.

"The Government wants to create Bumiputera entrepreneurs who are resourceful, competitive, dynamic and progressive and at par with other communities so that they too can contribute effectively towards the realisation of Vision 2020 objectives."

"I hope the Chinese community will not mistake this as an injustice to them," he said. He hoped they would accept it positively as an effort towards political stability for the good of the country in the long run.

Dr Mahathir said the country's rapid economic growth provided many opportunities and no one would lose if the opportunities were distributed to balance the development of the communities in Malaysia.

He urged the Chinese community to enhance joint ventures between Bumiputeras and non-Bumiputeras because it was an effective way to achieve economic integration and added that such interaction would wipe out suspicions between the two parties and reduce racial sentiments.

"The Malays and Bumiputeras should use such joint ventures to learn the business, not to get rich quick.

"The Chinese, on the other hand, should regard their Malay partners as equal and real partners, not merely as a front to obtain Government assistance," he said.

Singapore

Government Expresses 'Deep Concern' Over Bosnia

BK2008114892 Singapore Singapore Broadcasting Corporation in English 1100 GMT 20 Aug 92

[Text] The Singapore Government has expressed its deep concern over the situation in Bosnia-Hercegovina. It strongly condemns the practice of ethnic cleansing and acts of violence against [words indisinct], which have caused untold human sufferings and loss of human lives. The Foreign Ministry says the forced expulsion of people from their homes is a serious violation of the basic principles of international humanitarian law. It says the Singapore Government calls upon the perpetrators to stop their acts immediately and comply with UN Security Council resolutions.

Cambodia

Phnom Penh Issues 'Statement' on Paris Accord

BK2008140192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1100 GMT 20 Aug 92

["Statement of the State of Cambodia" in Phnom Penh on 20 August—read by announcer]

[Text] Ten months have elapsed since the signing of the 23 October 1991 Paris agreement. The second phase of the cease-fire, which went into effect at 0800 on the morning of 8 June 1992, has been in effect for over two months now.

During that period, the State of Cambodia [SOC] took note of and highly valued the efforts made by His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia; His Excellency Akashi, special representative of the UN secretary general, and his colleagues; the big five countries; the co-chairmen of the Paris International Conference; and the entire international community, who have strived vigorously to accelerate the process of the peace plan in Cambodia.

The SOC also noticed that all Cambodian parties had expressed their stance and often announced their full support for the 23 October 1991 Paris agreement.

But the implementation of the Paris agreement has been delayed and is behind schedule, particularly with regard to the military issue. This is due to the stalemate on the part of the Khmer Rouge party, which has made the same old demands—on the two key issues—that run against the content and spirit of the Paris agreement.

Concerning the dismantling of the Phnom Penh administrative structure, the international community clearly elaborated at the Tokyo international conference that it ran counter to the Paris agreement. The communique of the SNC meeting on 5 August 1992 clearly cited Akashi's statement that the UNTAC [UN Transitional Authority in Cambodia] could not discuss the essence of the Paris agreement and could not accept a proposal that involved dissolving the existing administrative structure.

Concerning the presence of foreign troops, Mr. Akashi recalled in his 22 July 1992 statement that the Vietnamese Government had issued a statement emphasizing that all Vietnamese troops left Cambodia between 19 July 1982 and 26 September 1989. If a party were to continue talking about the presence of foreign troops in Cambodia but fail to give any information or evidence and not cooperate with the UNTAC, the UNTAC would consider such allegations totally meaningless.

Regarding the issue of foreign civilians, Mr. Akashi said that this was a matter of immigration faced throughout the world, and that all such foreigners had the right to ask Cambodian officials to protect them according to the existing law. Mr. Akashi called on all sides to refrain from doing anything that might cause race riots and said that the UNTAC would certainly condemn anyone inciting any group to oppose foreigners on whatever grounds.

Not only have the Khmer Rouge refused to implement the agreement they signed on 23 October 1991, but they are trying to destroy the agreement. As a matter of fact, from the day the second phase went into effect to the present, the Khmer Rouge have continued refusing to let

the UNTAC enter their controlled zone. They have refused to disclose their minefields and have planted more mines in other areas. They have refused to fix their cantonment areas and to give any detailed report on the numbers of their troops, arms, and ammunition. In addition to refusing to cooperate with the UNTAC, they have fired at UNTAC helicopters. From 13 June to 8 August 1992, the Khmer Rouge violated the cease-fire on 219 occasions in Siem Reap, Kompong Thom, Preah Vihear, Kompong Cham, Battambang, Banteay Meanchey, Pursat, Kompong Chhnang, Kampot, Sihanoukville, Kompong Speu, and Stung Treng Provinces. Moreover, the Khmer Rouge planted mines along roads, on bridges, and in villages and communes. They also committed robberies, ambushed passenger cars, and attacked UNTAC helicopters.

As a result of the activities of the Khmer Rouge noted above, 83 persons were killed, including a monk, and 201 others were wounded, including four monks; 41 persons were taken away; 6,000 families have become homeless after fleeing from their houses; 26 houses, warehouses, offices, and monks' living quarters were damaged; 314 head of oxen and buffalo were lost; and the property of a number people was lost or damaged. These losses amount to 529,288,600 riel.

In addition to their violations of the agreement and robberies, the Khmer Rouge radio has carried daily reports accusing and distorting facts about UNTAC activities and inciting racial enmity to incite massacres, as they did when they were in power.

The indiscriminate firing of artillery shells, military activities to expand territory, robberies, and political and economic sabotage committed by the Khmer Rouge have caused countless losses and misery for the Cambodian people, keeping them from farming, compelling them to flee their homes and localities, causing the death of their family members, and causing them to lead a miserable life. This has introduced chronic anxiety and hopelessness among the people.

In such a situation, the SOC is very worried about the implementation of the Paris agreement, because the Khmer Rouge will definitely not abandon their design to return to power by force of arms and implement a genocidal policy, as they did from 1975 to 1978. If the Khmer Rouge can realize this ambition, even more cruel and barbarous vengeance and massacre will take place than those from 1975 to 1978. The Khmer Rouge scheme is to prolong the war and try their best to stop the election from being held in Cambodia, thereby destroying the Paris agreement.

The SOC would like to express its welcome and full support for Resolution No. 766/1992 of the UN Security Council. But effective measures should be taken to protect human rights in the zone controlled by the Khmer Rouge and to protect the lives, property, and security of the innocent Cambodian people who have been victimized because of the violations by the Khmer Rouge, who have refused to enter the second phase of the cease-fire.

The international community should take a clear stance on the Khmer Rouge faction and stimulate the mobilization of troops into cantonments. Any forces outside the cantonments should be regarded as being outside the peace process. Time is limited. The election in Cambodia is drawing near, but the process toward the election is still stalled. The already adopted electoral law has also been resolutely opposed by the Khmer Rouge.

The SOC is of the opinion that it is time to stimulate the peace process in Cambodia to another step rather than wait for a party that refuses to cooperate with UNTAC. Punishment should also be considered if the Khmer Rouge continues to refuse to respect the 23 October 1991 Paris agreement and UN Security Council Resolution 766/1992. The SOC would like to reiterate its stance in fully respecting the 23 October 1991 Paris agreement and ensure that it will closely cooperate with the UNTAC and the other parties to successfully implement this agreement.

Sihanouk Meets With Diplomatic Corps 19 Aug

BK2108042292 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 20 Aug 92

[Text] On the morning of 19 August at Khemarin Palace, His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, granted an audience to ambassadors, representatives, and advisers from the French, U.S., British, Russian, Chinese, German, Australian, Japanese, and Indonesian Embassies in Cambodia. The meeting was centered on a number of important issues concerning the implementation of the Paris accord at the present stage. At the audience, there were exchanges of ideas on how to gradually promote the search for peace and reconstruction of Cambodia.

Speaking on that occasion, the prince head of state optimistically praised the diplomats for their missions in Cambodia, saying those assignments were necessitated as a contribution to bringing about peace for Cambodia.

UNTAC Chief Optimistic on KR in Peace Process

BK2108053392 Bangkok THE NATION in English 21 Aug 92 p A4

[Text] UN Military Chief in Cambodia John Sanderson expressed his optimism yesterday that the Khmer Rouge [KR] would finally rejoin the Cambodian peace process and that the UN-sponsored general election would proceed as scheduled next May.

The Australian general has also called for international cooperation to assist the United Nations in implementing the peace agreement, and said he would travel

soon to Bangkok to meet Thai Army Commander in Chief Gen Wimon Wongwanit.

The message was given during a meeting yesterday between Lt Gen Sanderson and former Thai prime minister Chatchai Chunhawan, who is on a three-day visit to Cambodia.

A Thai delegate who was present at the meeting quoted Sanderson as saying that his optimism about the Khmer Rouge stemmed from the "contacts" and information he received from the communist faction's "local unit commanders" and defectors, who surrendered to the UN Transitional Authority in Cambodia.

The Khmer Rouge's "local unit commanders" and the defectors, according to Sanderson, had indicated their desire to stop fighting and stated that only the upper echelon of the faction's commanders still wanted to continue the war.

"There is no sign that (the local unity commanders and defectors) want to continue the fighting," Sanderson was quoted as saying.

The chief of the UNTAC military component also said he doubted whether the Khmer Rouge leadership has had a "unified command" in its controlled territory

Sanderson said he believed the Khmer Rouge was using its military strength to ensure its territorial control and sources of financial income, said the Thai delegate.

Chatchai is visiting Cambodia as guest of Phnom Penh Prime Minister Hun Sen. The former prime minister, who initiated the much-heralded policy of turning Indochina into a "trade zone", has denied the trip was aimed at boosting his election campaign at home.

Isolating, Fighting KR May Be 'Only Option'

BK2108025292 Phnom Penh SPK in English 1100 GMT 20 Aug 92

[Text] Phnom Penh SPK August 20—A senior official of Cambodia's Phnom Penh government Wednesday said the Khmer Rouge [KR] should be isolated and fought like communist parties in Malaysia and Thailand if it continued to resist implementation of a UN peace plan, AFP reports from Singapore.

Foreign Minister Hor Namhong said that while his suggestion was an extreme solution "no one would like to see," it might be the only option" to bring the Khmer Rouge to reason and to behave like civilised persons."

"It is not impossible to weaken the Khmer Rouge in the same way as the communist party in Thailand or Malaysia," he told a conference in Singapore on trade and investment opportunities in Cambodia.

"This necessitates not only the use of military resources but also an adequate development policy that will benefit the whole of Cambodian society," Hor Namhong said, adding that his governement would push ahead with Cambodia's reconstruction despite problems with the peace plan.

The British and Malaysian Governments, assisted by their allies, waged a four-decade long war against the outlawed Communist Party of Malaysia, which ended in December 1989 when guerrilla chief Chin Peng signed a peace agreement abandoning his armed struggle.

The Khmer Rouge, dislodged from Phnom Penh by the people uprising with the help from Vietnamese forces in 1979, has refused to participate in the second phase of the UN plan calling for the disarming of all guerrillas in the four Cambodian factions and their cantonment.

UN officials have said that the Khmer Rouge is misinterpreting provisions of the plan by demanding the simultaneous dismantling of the Phnom Penh government and further UN guarantees that all Vietnamese forces have left Cambodia.

"It goes without saying that one must try possible means to persuade the Khmer Rouge to respect the peace process but one should not at all costs go beyond the agreement in seeking to satisfy them," Hor Namhong said.

He said that the Phnom Penh government and two smaller noncommunist factions should proceed with the peace plan signed in October last year and work to rebuild Cambodia while waiting for the Khmer Rouge to rejoin the peace process.

Hor Namhong said that if the guerrilla group continued resisting the peace plan, UN forces should be deployed in Khmer Rouge areas at a latter stage and authorised to defend themselves if attacked.

"No one doubts that the Khmer Rouge will go underground and resume their guerrilla activities, but the situation is no longer fundamentally the same with the end of the cold war," Hor Namhong said.

Deputy Premier Kong Sam-ol told some 60 businessmen attending the conference that priority sectors open for foreign investment include products that would substitute imports and production for export to generate foreign exchange.

Foreigners were also welcome to invest in construction of power stations, bridges, dams, ports and airports and agriculture and livestock.

Kong Sam-ol said that the government would not seek majority stakes in joint ventures.

"So far our shares range from 10 percent of declared capital, most of the time in the form of land, buildings, machinery, equipment and manpower," he said.

Kong Sam-ol said that besides tax and other incentives, the Phnom Penh government was also looking into the establishment of special economic promotion zones for specific industries.

KR Says Vietnamese 'Have No Right' To Vote

BK2108020292 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 20 Aug 92

[Station commentary: "The Cambodian People Oppose the Vietnamese Aggressor Forces' Voting in Cambodia"]

[Text] Everyone knows that the Vietnamese are the invaders of Cambodia and that at present, the Vietnamese aggressor forces continue to remain in the country.

At a meeting of the Supreme National Council [SNC] in Siem Reap Province on 5 August 1992, Mr. Akashi, UNTAC [UN Transitional Authority in Cambodia] head, arbitrarily decided to authorize those Vietnamese aggressor forces to legally vote in Cambodia. The Cambodian people and the Party of Democratic Kampuchea [PDK] vigorously opposed the decision and persistently demanded that UNTAC verify the withdrawal of all categories of Vietnamese aggressor forces from Cambodia. Nevertheless, the UNTAC head ignored this request completely. By all appearances, the UNTAC head's action is against the Paris accord, which stipulates: Before dictating any decision, the UNTAC head has to take into account the opinion of every party within the SNC.

The Cambodian people are terribly furious with the adoption of the law because this constitutes not only a conspiracy to allow the Vietnamese aggressor forces to further stay in Cambodia but also to vote in the country. If the Vietnamese aggressors are authorized to cast ballots in this manner, an assembly set up via the elections will certainly be a Vietnamese assembly. Undeniably, a constituent assembly will become an assembly that codifies laws to serve the Vietnamese interests and legitimize the Vietnamese invasion of Cambodia after all. And the Vietnamese aggressor forces will control both the administrative and legislative organs in the end.

Now that it has been 14 years, the Vietnamese aggressors have not been able to swallow Cambodia militarily. However at present, the UNTAC head helps the Vietnamese to swallow Cambodia via his concrete action and the law of the jungle. The UNTAC head move is tantamount to beheading the Cambodian people for the Vietnamese aggressors. This is a national survival issue the Cambodian people cannot accept, come hell or high water. The Cambodian nation and people resolutely demand that UNTAC correctly execute the implementation in accordance with the spirit and essence of the Paris 23 October 1991 accord.

There are two important key provisions in the accord, that is UNTAC has to verify the withdrawal of all categories of Vietnamese aggressor forces from Cambodia and to hand over to the SNC the full role so that the latter can carry out its task as the sole legitimate body and source of authority in Cambodia throughout the transitional period.

Only by settling the two key issues beforehand can other issues be resolved one after the other; and only after all the Vietnamese withdraw from Cambodia, can a neutral political climate exist for general elections to be conducted in a correct and just manner.

The Vietnamese aggressors have no right whatsoever to vote in Cambodia no matter what.

Tie Banh Releases Troops From 3d Army Region

BK2108064892 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 21 Aug 92

[Excerpt] On the morning of 20 August at the 3d Military Region's troop regrouping center of Cham Chau, a ceremony was held to demobilize and authorize a number of cadres and rank and file from the military region to temporarily return to civil life. Presiding over the event were His Excellency [H.E.] General Tie Banh, member of the Standing Committee of the Cambodian People's Party [CPP] Central Committee, vice chairman of the Council of Ministers, and defense minister; Colonel (E. Kolos), representative of the UNTAC [UN Transitional Authority in Cambodia] forces; Lieutenant General Prum Din, commander of the 3d Military Region, and representatives from all the general departments of the Defense Ministry, the military region, and the UNTAC forces as well as several cadres and troops.

According to a report presented by Col. Khim San, representative of the commanders of various armed units in the 3d Military Region, a total of 506 troops, including 208 officers and 298 rank and file, were to be released and 153 assorted weapons and 2,505 rounds of ammunition to be handed over to UNTAC. [passage omitted]

Chea Sim Receives DPRK Ambassador 19 Aug

BK2108045492 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 20 Aug 92

[Text] His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee and National Assembly, received in audience H.E. Kim Hyong-yol, DPRK ambassador to Cambodia, on the morning of 19 August. He told the Korean envoy that he was very pleased to have been honored by the Korean leaders during his visit to the DPRK last month.

Concerning Cambodia's stance toward Korea, H.E. Chea Sim pointed out that the CPP, at all times, supports the cause of national reunification and construction of Korea. The CPP and the Government of the State of Cambodia, he reaffirmed, would strive to improve and strengthen the relations of friendship and solidarity between the two countries.

On that occasion, a video on H.E. Chea Sim's activities during his recent visit to the DPRK from Korean President H.E. Kim Il-song was handed over by the Korean ambassador to the Cambodian leader.

Hun Sen Pays Courtesy Call on Sihanouk 20 Aug

BK2108061692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 21 Aug 92

[Text] His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, and the princess consort granted an audience to His Excellency [H.E.] Hun Sen, vice chairman of the Cambodian People's Party [CPP] Central Committee and chairman of the Council of Ministers of the State of Cambodia [SOC], and madam at Khemarin Palace on the morning of 20 August. On that occasion, the prince said that during the recent visit made by himself and his wife to Siem Reap-Oddar Meanchey Province, he had seen that the people had a satisfactory standard of living in line with the nation's progress and that the people were closely united with the CPP and the SOC Government. HRH Prince Norodom Sihanouk added that he was extremely pleased with the concrete situation which reflects the joint efforts displayed by the CPP, the SOC Government, and the people in national defense and construction.

H.E. Hun Sen and madam wished the prince father and princess mother all the best in their upcoming overseas trip.

Indonesia

Alatas on Aid to Bosnia, Somalia; Yugoslavia Ties

BK1908125992 Jakarta ANTARA in English 1030 GMT 19 Aug 92

[Text] Jakarta, Aug 19 (OANA/ANTARA)—Indonesia is to send humanitarian aid to war-torn Bosnia-Hercegovina (B-H) and to Somalia which is suffering from food shortage, Foreign Minister Ali Alatas said here Wednesday.

We always pay close attention to the developments in B-H and Somalia, he told newsmen adding that the kind of humanitarian aid to be sent to the two countries will be determined in the near future.

He dismissed allegations that Indonesia has no stance on the issues prevailing in the two countries, saying that Indonesia is a member of various international organizations, including the Non-Aligned Movement (NAM) and the organization of Islamic Conference (OIC), that it must maintain its free and active foreign policy.

Our stance regarding the B-H issue is clear as we already supported OIC programs and the UN resolutions condemning bloodbath in the breakaway republics of Yugoslavia, he said.

The UN resolution, he went on, also gives a mandate to the UN to take accurate, immediate and effective measures to end conflicts in B-H.

Alatas reminded that Indonesia's national interests could be different from that of other countries.

We do not need to follow other countries' steps, he said in apparent reference to decision of some countries, including Malaysia, to sever diplomatic ties with Yugoslavia in protest against what is happening in B-H.

According to Alatas, Indonesia must be neutral in seeing the B-H issue as soon it will host the 10th summit of the Non-Aligned Movement.

Jakarta still needs formal relations with Belgrade so that the transfer of NAM chairmanship can take place smoothly, he said.

As the host of the 10th NAM summit, we must make sure that there will be no unrest because of differences of view among the NAM member countries, he said adding that in his personal capacity he has made contact with some NAM member countries to gather inputs concerning their wishes and aspirations.

According to the foreign minister, Indonesia must try its best to satisfy everybody so that the movement's programs can be realized.

And satisfying everybody will include making positive responses to the wish of Thailand and the Philippines to join the NAM, Alatas said.

Spokesman of the 10th NAM summit Nana S. Sutresna said that the wish of the two fellow-ASEAN countries to join the 31-year old movement has been discussed at the meeting of the NAM coordinating bureau in New York recently.

No consensus as yet on the issue, Sutresna said adding that the senior official/ministerial level meeting preceding the Jakarta summit from August 29 to 30 will probably discuss it again.

Muslim Party Condemns Serbian Violence in Bosnia

BK1908131292 Jakarta SUARA PEMBARUAN in Indonesian 13 Aug 92 pp 1, 16

[Text] Jakarta, 13 August—The United Development Party [PPP] has condemned the anarchic violence, brutality, and cruelty committed by Serbian troops against the Bosnian people and called on the United Nations to take immediate action to end the genocide in the divided region.

The PPP has urged the Islamic Conference Organization in addition to the United Nations to take prompt and appropriate action to end the annihilation of and give food aid to the Bosnian people. This was stated in a press release signed on Wednesday by Jafar Sidik, deputy secretary general of the PPP Central Executive Council, on behalf of the PPP Central Executive Council. The PPP also urges the Indonesian people to immediately extend humanitarian aid to the famine-stricken people.

The PPP notes that the world is shocked by the brutal acts committed by the Serbian troops at a time when the world community is enjoying peace following the end of the cold war.

It notes that the Serbian troops have cruelly massacred the innocent people of Bosnia-Hercegovina, including women and children.

The PPP regards the construction of concentration camps to torture the Croats and Bosnians as a systematic process of ethnic cleansing to achieve ethnic superiority similar to the methods used by the Nazis. "The action has seriously violated humanity," the press release says.

According to the PPP, the Serbian troops have already ignored the UN recommendations. They have even disregarded the UN troops as members of a humanitarian mission to protect hundreds of thousands of people there.

The PPP calls on the Nonaligned Movement, which is taking common measures to strengthen the struggle of mankind for independence and security, to immediately help end the action of the Serbian troops.

Alatas Comments on Czech Recruitment of 'Agents'

BK2008041692 Jakarta ANTARA in English 0313 GMT 20 Aug 92

[Text] Jakarta, Aug 19 (OANA/ANTARA)—Indonesia is seeking clarification on a report by RUDE PRAVO daily published in Czechoslovakia that 13 Indonesian citizens had been recruited as agents of the Czechoslovakian secret service Stani Bezpocnost (STB), Foreign Minister Ali Alatas said here on Wednesday.

The Ministry of Foreign Affairs has tried to get clarification on the 13 Indonesian nationals through the Indonesian Embassy in Czechoslovakia, he said after the inauguration of a new building of the Foreign Department in Pejambon.

He said that data gathered so far is not yet complete while the inquiry for clarification has been done in coordination with the Indonesian defence and security institutions.

According to him, the Foreign Ministry has never been neglectful of any difficulties faced by Indonesian citizens abroad, however the reported case of the STB has raised an uproar after being publicized by a foreign media.

Alatas said that if the information is correct then it should become a lesson for Indonesian citizens doing activities abroad not to be easily wooed by other countries' interests which are disadvantageous to their own country. He said that efforts to avoid being trapped to be the secret agents of other countries lies in the person's own mental resilience in facing invitation and wooings of foreign sides.

On the other hand, we must not automatically conclude that all Indonesian students abroad will be easily influenced by other foreign interests for such a thing could also occur in this country such as the case of a military officer some years ago, Alatas said.

Armed Forces Chief Comments

BK1908104492 Jakarta ANTARA in English 1010 GMT 19 Aug 92

[Text] Jakarta, Aug 19 (OANA/ANTARA)—Armed Forces Chief General Try Sutrisno said here on Wednesday his side will study a report which said 13 Indonesian citizens were serving as an agent for Czechoslovakian secret service, STB, in the 1960s.

General Try who attended the inauguration ceremony of a new building for the Ministry of Foreign Affairs here said that the report should be checked carefully because it concerns the fate and loyality of the citizens to the nation.

The source of the report should be seriously checked because it was published abroad, the armed forces commander said.

Czechoslovakian newspaper RUDE PRAVO carried a story in its recent publication saying that in the 1960s, 13 Indonesian citizens were serving as secret agents under the coordination of the STB.

It said that some of them were students who are now government officials in Indonesia.

Try Sutrisno appealed to the people not to exaggerate the report because his side will carry out careful examination on it.

House Speaker Receives SRV Parliamentarians

BK1908105692 Jakarta ANTARA in English 0900 GMT 19 Aug 92

[Text] Jakarta, Aug 19 (OANA/ANTARA)—As fellow developing countries Indonesia and Vietnam need to pomote mutually-beneficial cooperation among other things through an exchange of experience and views, House Speaker Kharis Suhud said in a meeting with a delegation from the Vietnamese Parliamentary Secretariate General here recently.

Kharis Suhud said that harmonious cooperation could only be possible if the world was in peace.

The Vietnamese five-member delegation was led by Vu Mao, a parliamentary member. Vu Mao on the occasion extended the Vietnamese House Speaker's Invitation for Kharis Suhud to visit Vietnam.

He said the Vienamese House Speaker would not be able to come to the next ASEAN Inter-Parliamentary Organization [AIPO] meeting but would send one of his vice chairman.

He said the Vietnamese Parliament expressed its gratitude over AIPO's invitation to come to the meeting as an observer.

Minister: Ban on Foreign Papers Lifted

BK1908105292 Jakarta THE JAKARTA POST in English 12 Aug 92 p 1

[Excerpts] Jakarta (JP)—The government has allowed the ASIAN WALL STREET JOURNAL [ASWJ] and the INTERNATIONAL HERALD TRIBUNE [IHT] back into circulation here after the two newspapers printed an apology by a courier company for an advertisement appearing in them recently.

Minister/State Secretary Murdiono told reporters here yesterday that there was no problem with the circulation of the JOURNAL and the TRIBUNE after they printed an apology to the Indonesian nation from DHL International Limited.

The apology was printed by ASWJ on Monday [10 Aug] and the IHT yesterday. [passage omitted]

The apology guarantees that the advertisement will not appear in publication again. [passage omitted]

Suharto Advocates Nuclear Power Generation

BK2008124692 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 20 Aug 92

[Text] President Suharto says the time has come for us to seriously consider the exploitation of nuclear energy to generate electricity. Greater efforts must be made to develop nuclear technology to generate electricity. This will enable us to master this technology if we should later decide to build nuclear plants for this purpose. President Suharto said this when he inaugurated a neutron spectrometric installation and an energy laboratory in Serpong, West Java this morning. He said people should not be too worried about the use of nuclear energy because nuclear technology is very advanced and the safety aspect is always given top priority. Accompanied by Mrs. Suharto and Habibie, minister of state for research and technology, President Suharto later toured the facilities he had inaugurated.

Laos

Delegation Leaves for PRC Friendship Visit

BK2108013892 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 21 Aug 92

[Text] Implementing the 1992 exchange plan of delegations between the Foreign Relations Board of the Lao People's Revolutionary Party [LPRP] Central Committee and the Foreign International Liaison Department of the Chinese Communist Party Central Committee, a delegation of the LPRP Central Committee led by Comrade Chansi Phosikham, member of the LPRP Central Committee and governor of Luang Prabang Province, left for a friendship visit to the PRC between 16 to 24 August.

Foreign Minister Leads Delegation to Thailand

BK2008144992 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 20 Aug 92

[Text] The Lao Government delegation led by Phoun Sipaseut, deputy prime minister, minister of foreign affairs, and chairman of the Lao-Thai Cooperation Committee, left Vientiane on a special plane this morning for the Kingdom of Thailand.

The Lao delegation is on a mission to participate in the second meeting of the Lao-Thai and Thai-Lao Cooperation Committees scheduled to be held from 21-22 August at Samui Island, Surat Thani, Thailand, at the invitation of Asa Sarasin, Thailand's foreign minister and chairman of the Thai-Lao Cooperation Committee.

The meeting of the two cooperation committees will review the development of relations and cooperation between the two countries over the past year and the results of implementation of various agreements reached in the first meeting of the cooperation committees last year.

On the same occasion, they will also hold consultations and exchange views on bilateral relations and cooperation for next year and in the long term. The topics of discussion will include political, trade, tourism, and investment relations and cooperation, and other issues of mutual interest to the two countries.

Seeing off the Lao delegation at the Wattai International Airport were Khamphoui Keoboualapha, deputy prime minister, minister of economy, planning, and finance; various ministers and deputy ministers; a number of high-ranking authorities; and the Thai ambassador to Laos.

SRV Finance Group Calls on Khamphoui 19 Aug

BK2108021292 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 20 Aug 92

[Text] Yesterday evening, Khamphoui Keoboualapha, deputy prime minister and minister of economy, planning, and finance, received a courtesy call from Pham Van Trong, SRV deputy minister of finance and head of the SRV intergovernmental debt payment committee, who was accompanied by Khamsai Souphanouvong, deputy minister of economy, planning, and finance and head of the Lao People's Democratic Republic [LPDR] intergovernmental debt payment committee. Deputy Prime Minister Khamphoui Keoboualapha hailed the visit to Laos by the SRV delegation to consult with the Lao side in correcting and mapping out some measures on financial cooperation implemented in the past as well as in the future.

Pham Van Trong and his party arrived in Vientiane capital on the afternoon of 18 August and held consultative talks with Khamsai Souphanouvong and Lao experts on debt payment mechanisms and the tax policies of the two countries. The two sides consulted with each other on outlining measures on the payment of the past debts and defining methods and forms as well as a

timeframe for payment of gratis aid and loans acquired both under contractual and noncontractual conditions. At the same time, the two sides also jointly defined a common policy and numerous regulations to ensure smooth transition to new financial and debt payment mechanisms, especially the tax mechanisms which will facilitate comprehensive cooperation and trading relations between the two countries. The transformation into the new mechanisms is aimed at strengthening the relations of friendship and special solidarity between Laos and Vietnam on the basis of the laws in each country and international law and the principle of genuine equality and mutual benefits.

Supreme People's Assembly Session Closes

BK1908135992 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 19 Aug 92

[Text] The Ninth Plenary Session of the Second Supreme People's Assembly [SPA] was successfully closed at the SPA Meeting Hall in Vientiane this afternoon.

Attending were 77 SPA members representing people of all levels in the various localities of the country. The session was chaired by SPA Chairman Nouhak Phoumsavan.

Those who attended the session included Politburo-level cadres; members of the Council of Ministers comprising the prime minister, deputy prime ministers, ministers, and deputy ministers; and a number of authorities concerned.

The delegates discussed several issues throughout the three days of the session, especially preparations for the elections to the Third National Assembly to be held in the future. Every delegate gave his views on the standards and number of National Assembly members that would be suitable for the current condition of the country.

At the closing ceremony, after Thongsing Thammavong, vice chairman of the SPA Standing Committee, read the resolutions adopted at the session, SPA Chairman Nouhak Phoumsavan delivered a speech to officially close the session.

Thongsing Thammavong Speaks at Province Congress

BK2008085392 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 18 Aug 92

[Text] The fourth congress of the party committee of Phong Saly Province, which was convened between 12 and 14 August, was brilliantly concluded with attendance of 138 full delegates, invited guests from various producdtion establishments, services, military and police units, and mass organizations in the province. Of these, 89 were full delegates.

Attending the congress were Thongsing Thammavong, Political Bureau member and head of the Organizational Board of the party Central Committee; and a number of invited guests from the Central Committee.

Throughout the congress, the participatants heard and studied a political report presented by Mai-en Inseng, acting secretary of the party committee of Phong Saly province. The political report assessed and objectively reviewed the execution of work in the past (?year) in which great achievements were attained in many fields. It also pointed out certain shortcomings which must be rectified. The report discussed in detail the socioeconomic development plan in the province for the next five years.

In addition to hearing and studying the said political report on 14 August, which was the last day of the congress, the 89 full delegates unananimously endorsed the document and voted to elect the new 17-member provincial party committee with Mai-en Inseng as secretary.

On the evening of 14 August, Thongsing Thammavong, speaking on behalf of the party Central Committee Political Bureau, addressed the congress and hailed the glorious success achieved at the session, calling it a great contribution to the socioeconomic development and other spheres of work in the province. He called on the people of all strata in the province to unite together to actively contribute to carrying out the tasks of national defense and national construction.

On the morning of the following day, more than 200 cadres, state employees, soldiers, policemen, and residents of the province held a rally to hail the success of the historic congress.

Public Cooperation Urged in Peace, Security

BK1908132392 Vientiane PASASON in Lao 6 Aug 92 p 1

[Editorial: "Let Us Safeguard and Bring Peace and Security to Our Society"]

[Text] The safeguarding of peace and security in various localities has been carried out fairly well, thus bringing considerable stability to the country. This is because authorities at the various levels have performed their duties actively and responsibly. Local administrations have been well aware of their responsibilities, while public citizens have rendered good cooperation to the tasks of public security maintenance.

However, there still are several weaknesses that have given way to various petty thefts, which have been increasing rapidly in areas such as Vientiane. In the past, the targets of thieves and robbers were bicycles, motorcycles, and domestic animals ranging from poultry to cattle. Recently, there was even a bank robbery in the capital of Vientiane involving millions of U.S. dollars. Worse, there have also been cases of murder and various sexual crimes. These have created a negative image of our society and our gentle culture and tradition.

Under the present circumstances, the safeguarding of peace and security has become an extremely important task for all. If we fail to perform it efficiently, we will have to suffer thefts and robberies or abuses of power. In

addition, we will also probably be faced with the problem of bad elements, or other hostile forces infiltrating into our country to cause public unrest and destroy the country and the fruits of its revolution.

Due to the above reasons, in order to bring peace and security to both the rural areas and townships, especially Vientiane, the capital of the country, and to enable people to live and earn their living peacefully and carry out constructive activities for national rehabiliation and development, all of us—cadres, soldiers, policemen, public citizens, traders, or farmers—must seriously participate in public security.

First, everyone must be security conscious, keep his property and valuables in a safe place, and must not take things too easily. Everyone must continue to teach young people the right ways of thinking and doing things. We must watch, follow up, and educate wrong-doers such as thieves to help improve their character. We must urgently inform officials of the respective locality whenever we learn about a theft, robbery, or a scam. In the case of a serious incident, such as a robbery or murder, suppression measures must be taken immediately. We all must bear in mind that peace and security is necessary for our daily lives.

Our fundamental tasks are building and improving the strength of the local security forces, improving the efficiency of local administration, and motivating people at all levels to cooperate in public security work. If we perform these tasks efficiently, our rural and urban areas will be free from petty thefts and other kinds of social disturbances. As a result, our people and localities will enjoy more peace.

Philippines

Speaker Says U.S. To Have Access to All Ports

HK2108094192 Quezon City MALAYA in English 21 Aug 92 p 3

[By Carlito Pablo and Butch Franco]

[Text] The Philippine government is willing to grant American forces access not only to Cubi Point and Subic Naval Base but to all seaports and airports in the country, Speaker Jose de Venecia said yesterday.

"We are ready to grant them access to Cubi, Subic and other ports in the country," De Venecia, touted as President Ramos' chief strategist, told newsmen after addressing members of the Philippine Ambassadors Association at the Manila Peninsula Hotel.

De Venecia said the President and key government officials support the proposal. "There is a consensus, an evolving consensus on this matter. It is accepted as a matter of principle," he said.

Asked when the arrangements will be finalized, he said, "At the proper time."

In return for access to Philippines ports, the Americans are expected to continue to help in the modernization of the Armed Forces of the Philippines, De Venecia said.

De Venecia, however, said the United States will no longer be given basing rights, which will allow it to station troops in Philippine military facilities, a privilege it enjoyed before the Senate rejected a proposed bases treaty.

A committee formed by President Ramos to review RP [Republic of the Philippines]-U.S. relations and headed by Foreign Secretary Roberto Romulo had earlier recommended that American forces be given access to military facilities here.

De Venecia said the U.S. can still use Subic for the forward projection of its forces in case of a war with Iraq.

The U.S. closed Clark Air Base after the Mt. Pinatubo eruption in June last year and will complete the pullout of its forces from Subic base by the end of December.

Incoming Ambassador to Washington Pablo Suarez dismissed speculations that the use of Subic by the U.S. in a possible war with Iraq may draw the Philippines into war.

Suarez said: "Even before the (proposed bases) treaty was rejected, the U.S. has been using Subic and we were not involved in a war."

In his speech, De Venecia called for improvement of relations between the Philippines and the U.S. in the post-bases era.

"Let us not forget that the United States, for all its trade and budgetary deficits, remains the leader of the free world, and continues as such to exercise decisive influence over the collective security system, which vouch safe security from aggression to small and defenseless nations like the Philippines," he said.

De Venecia also warned that the withdrawal of U.S. troops from the country may drive certain powers in the Asia-Pacific region to "military adventurism." He did not identify the countries.

In another development, Olongapo Mayor Richard Gordon said three access roads leading to Subic will be built to attract investors, including Taiwanese businessmen.

Gordon, who met with Public Works Undersecretary Teodoro Encarnacion about the projects, said the Taiwanese government is leading a group of investors willing to settle at the Subic area, provided that the necessary infrastructure is in place.

To be built under the build-operate-transfer scheme are a four-lane, 22-kilometer road from Bataan to Olongapo to cost P500 million [Philippine pesos]; 18-kilometer road supported by a viaduct from Bacolor, Pampanga to Dinalupihan; and a road connecting Dinalupihan or Olongapo to Subic.

Gordon said investors will build factories for "pollution-free" light industries.

He said the government is also negotiating with a private firm to replace about 2,000 telephone lines which the Americans are taking with them.

Indonesia Supports Manila Bid for NAM Status

HK2008031292 Manila MANILA BULLETIN in English 20 Aug 92 pp 1, 13

[Text] Indonesian President Suharto and Speaker Kharis Suhud have assured Speaker Jose de Venecia Jr of full Indonesian support for Philippine membership in the Non-Aligned Movement (NAM), which meets in Jakarta Sept. 1-6, and understanding of President Ramos' rebel amnesty program.

De Venecia, accompanied by Representatives Hilarion Ramiro of Misamis Occidental and Macabangkit Lanto of Lanao del Norte, was special guest of the Indonesian government during his three-day visit during the 47th anniversary of the Indonesian independence last Monday.

De Venecia requested Suhud, his host, to help speed up the pending cases of Filipino fishermen and facilitate the release of those detained in North Celebes and East Kalimantan.

He said the Indonesian Navy will soon release 56 Filipino fishermen detained in Tarakan, Indonesia and East Kalimantan, following earlier spadework by Philippine Ambassador to Indonesia Oscar Valenzuela.

Earlier, 51 crew members of the Philippine fishing boat "FB [Fishing Boat] Dolly" had been released in Tarakan, reducing the number of detained Filipino fishermen to 85.

De Venecia said President Suharto asked about President Ramos twice and added that Ramos is "highly regarded" by him and the Indonesian people.

He said under the leadership of the Indonesian president, the floundering NAM will increase its membership by four nations and flourish once again, no longer as an arbiter of the Cold War, which has ended as a "referee and major player in the North-South dialogue." [sentence as published]

He said the withdrawal of US forces from Clark Air Base and Subic Naval Base "signalled Philippine entry to the NAM," although he said US forces could continue to have "commercial access" to Cubi Point and Subic and Philippine airports and ports, but not formal basing rights.

Mt. Pinatubo Spews Ash; Funds Asked for Relief

HK2108062892 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 20 Aug 92

[Text] Ash fell on Clark Air Base, Angeles, Pampanga and other nearby areas due to several minor eruptions caused by pyroclastic materials exploding in Mt. Pinatubo. According the Philippine Institute of Volcanology and Seismology, ash was spewn into the atmosphere at a height of 18,000 feet after pyroclastic materials deposited in Sacovia River exploded due to constant rainfall. [sentence as heard]

It is said that the sky darkened and ash fell in the towns of Capas, Bamban, Concepcion, Mayantoc, San Jose, Tirona, and Tarlac in Tarlac. It is feared that tons of lahar will again flow through the main river channels of Armenia, Sacovia, Ordonel, and Parus in Tarlac because of the non-stop rainfall.

Meanwhile, the National Disaster Coordinating Council [NDCC] has asked for an additional 60 million Philippine pesos from President Ramos. In an interview with DWIZ Headline Patrol, Defense Secretary and NDCC chairman Renato de Villa said that the amount that they are asking from the government will be used to fund the relief and rehabilitation of those affected by lahar in Central Luzon. He said the amount will be distributed by the NDCC to the various government agencies currently helping the lahar victims.

Ramos Urges Rebels To Accept Peace Plan

HK2008091792 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 20 Aug 92

[Text] President Ramos warned that the national interest shall be upheld even if rebels reject his call for peace and offer of an amnesty, which aims to end the armed struggle in the country. The president gave the warning, along with a call for the rebels to accept the unprecedented peace package offered by the government, last night before army officers and commanders at Fort Bonifacio.

The president said the government has the responsibility of looking after the republic's integrity, maintaining the nation's territorial boundaries, and working for the welfare of the people and the country as a whole.

Earlier, President Ramos offered a four-step peace proposal to leftist, rightist, and Muslim secessionist rebels in line with his effort to unify the country. The peace proposal included an amnesty offer and a call for Congress to legalize the Communist Party of the Philippines [CPP].

The president assured that the government will still continue to strive for peace whether the rebels accept the government's amnesty offer or not. He also expressed confidence that most of the CPP-New People's Army's low-level members will avail of the government's amnesty offer. However, the president is aware of the possibility that the communist movement's hard-liners may reject his offer.

Ramos: Amnesty To Help End Communist Movement

HK2008123892 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 20 Aug 92

[Text] President Fidel V. Ramos believes the communist movement in the country will finally fade away.

This, he said, is because of the increasing number of rebels who have expressed their desire to avail themselves of the government's amnesty program. Tannie Rodriguez for the details:

[Begin Rodriguez recording] The president said the turn of events in East Europe has shown that democracy has prevailed around the world.

According to the president, if the insurgents refuse peace proposals, the Armed Forces of the Philippines [AFP] and the Philippine National Police [PNP] will continue their amnesty campaign.

However, Ramos has high hopes that most of the communist supporters will take part in the peace opportunities that the government is offering. This can convince communist rebels that the Ramos administration is sincere in its efforts.

Ramos added that the government is formulating a package that will effect the rendering of principal services to the public, including the cleanup of the AFP and the PNP. [end recording]

Muslim Rebel Team in Manila 'To Sow Terror'

HK2108072192 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 21 Aug 92

[Text] An estimated six-man group belonging to the Moro National Liberation Front has arrived in Manila from South Cotabato allegedly to sow terror. The South Capital Command [Capcom] reported this following its surveillance operation.

The intelligence report said the group was last seen in Taguig, Metro Manila, and is said to be carrying sophisticated arms. The group aims to launch terroristic activities and bank robberies.

Meanwhile, the South Capcom has deployed men to continue monitoring the group's activities.

Thailand

Asa Meets Lao Foreign Minister in Bangkok 20 Aug

BK2008155492 Bangkok Army Television Channel 5 in Thai 1230 GMT 20 Aug 92

[Text] Foreign Minister Asa Sarasin welcomed Lao Deputy Prime Minister and Foreign Minister Phoun Sipaseut; Deputy Foreign Minister Thongloun Sisoulit, and Phao Bounnaphon, minister attached to Laos' National Assembly, upon their arrival at Don Muang Military Airport this morning. The Lao leaders have come to Thailand to attend a meeting of the Thai and Lao foreign ministries at Ko Samui Island of Surat Thani from 21 to 23 August.

Phoun Sipaseut said that the current relations between Thailand and Laos are satisfactory, which will lead to enhanced economic, social, and cultural cooperation between the two countries. He said:

[Begin Phoun recording in Lao] Relations and cooperation between Thailand and Laos have been increasing every passing day. This is very satisfactory. The exchange of visits between leaders and officials at different levels of the two countries have created a favorable atmosphere conducive to the further development of relations between the two countries—for example, in economic, cultural, and other related fields. [end recording]

Foreign Minister Asa Sarasin said that during the meeting the Thai side will raise the issues concerning Lao refugees and cooperation in the suppression of terrorism along the common border.

[Begin Asa recording] We will discuss constructive issues and try to eliminate the few existing past obstacles to good relations between the two countries. This includes the problem caused by the border terrorists of the Hmong tribe who have infringed on Laos's sovereignty. We have taken actions against them and have arrested some of them. We will not let these sorts of issues harm Thai-Lao relations in the future. [end recording]

U.S. Asked To Curb Anti-Laos Hmong Citizens

BK2108052492 Bangkok THE NATION in English 21 Aug 92 p A2

[Text] Thailand has asked the United States to find ways to prevent blacklisted Hmong-Americans from entering Thailand, an informed source said yesterday.

Foreign Minister Asa Sarasin made the request to US Ambassador David Lambertson on Wednesday during a visit to Poipet where they observed projects executed by Thailand's 1st Engineering Battalion. He urged Washington to do everything to prevent these people from returning to Thailand.

A Western source said that it was difficult to monitor the activities of Hmong-Americans as they do not need a visa to enter Thailand.

The source said Thailand has already drawn up a list of two dozen Hmongs holding US passports who frequently visit Thailand and who are suspected of aiding members of the anti-Vientiane resistance group.

The list will be given to immigration officials to ensure that these suspects do not sneak into the country.

Last month, Thai authorities arrested several people who were said to be involved in espionage activities in Laos. New raids are planned in the coming weeks, the source added.

Hmong refugees living in the Ban Winai camp have been engaged in destabilization activities since 1975.

The source said the camp will be soon be closed and all refugees will be moved to Camp Napo in Nakhom Phanom to "further demoralize the resistance forces."

The move comes on the heels of Laotian Deputy Prime Minister and Foreign Minister Phoun Sipaseut's arrival yesterday. He is scheduled to hold high-level bilateral talks with Asa starting today at Koh Samui.

—Demarcation over the disputed border area of Ban Romkhlao will not be on the agenda of a high-level meeting between Thailand and Laos which begins on the southern resort island of Samui today, an informed source said.

The source said both countries, during a preparatory meeting in Vientiane early this week, agreed to put aside negotiations over the small area straddling Thailand's Phitsanulok and Sayaboury in Laos.

"Laos has persistently said boundary disputes should be settled on a case by case basis, starting with Ban Romkhlao. But Thailand wants to settle the border disputes in a comprehensive manner," the source said.

Ban Romkhlao was the scene of a 90 day war between the two countries in 1986.

Lao Deputy Prime Minister and Foreign Minister Phoun Sipaseut arrived in Koh Samui yesterday to attend the second meeting of Thai-Lao Joint Committee to discuss bilateral economic cooperation.

Senate President Leaves for Visit to PRC

BK2008150192 Bangkok Radio Thailand Network in Thai 1200 GMT 20 Aug 92

[Text] Senate President Michai Ruchuphan left Bangkok Airport this morning for a visit to the PRC from 20 to 28 August at the invitation of the chairman of the Chinese National People's Congress. The visit is aimed at strengthening relations between the national assemblies of the two countries.

Asked if the people who committed offenses during the May incident will be punished as a result of the rejection of the amnesty decree by the NAtional Assembly, Michai said no one can provide an answer to that question. Filing a lawsuit is a legal problem which must carefully considered by the officials concerned. The starting point will be in court. The administrative branch or any affected person can file a lawsuit if they deem it necessary. If the court is unsure about the legality of the decree, it can ask for the deliberation of the Constitutional Tribunal.

Asked what further action should be taken in this connection, Michai Ruchuphan said everything must be postponed for the time being pending the formation of the National Assembly. He said that he could not give a definite answer on this issue now since his answer might interfere with or influence the deliberation of the Constitutional Tribunal.

Regarding the formation of a group of academicians to monitor the behavior of politicians, Michai Ruchuphan said it depended on what they would do and to what extent they could do this work. There should not be any problem as long as the group only observes the behavior of politicians and informs the people of its findings. In so doing, it must be cautious, since it might face libel lawsuits. However, the group can serve as a mechanism to enable the general public to be more informed.

Minister Warns Vietnam May Lose Out in AFTA

BK2108074592 Bangkok BANGKOK POST in English 21 Aug 92 p 19

[Text] Indochina stands to lose the magnetic appeal it has hitherto enjoyed among potential foreign investors if the ASEAN Free Trade Area (AFTA) materialises next year, warned Commerce Minister Amaret Sila-on.

Moreover, the birth of AFTA is now a more urgent need given the recent conclusion of negotiations by the United States, Canada and Mexico to create a new North America Free Trade Agreement, the Commerce Minister said.

If Vietnam does not speed up reforms to make foreign investment activities more in keeping with the pace dictated by these new regional and global developments, AFTA countries, particularly Indonesia and the Philippines, will rival Vietnam in getting shares from the same pool of foreign investment resources.

Mr Amaret delivered this grim message about "the changed game" of international and regional economics to his Vietnamese counterpart Le Van Triet at a meeting here on Tuesday.

According to Mr Amaret, the Vietnamese minister was "speechless" upon hearing his forthright assessment on Vietnam's losing lustre vis-a-vis ASEAN once AFTA is in place.

Oil exploration and production companies are bound to be interested in Vietnam because it has the deposits. But AFTA countries will emerge as extremely attractive in other sectors that Vietnam has ear-marked for attracting foreign investment, he said.

"Until recently there was a great degree of interest in investment opportunities in Indochina, in particular Vietnam, which is resource-rich with a population of 70 million.

"But if AFTA happens next year, investors will have to weigh really hard between putting their money in, say, Indonesia, which is more experienced with foreign trade and investment, or Vietnam with its many difficulties," Mr Amaret said in an interview with the Business Post.

AFTA will bring down tariff barriers, create a common market of 330 million buyers spanning Thailand, Indonesia, the Philippines, Malaysia, Singapore and Brunei.

For instance, Indonesia would be irresistible as investors see prospects of establishing production bases there where the bureaucratic process is easier than in Vietnam,

and make Indonesia the staging area for their products to each of the rest of the ASEAN market, Mr Amaret said.

The stakes, he stressed, are different. Indonesia has 170 million people with annual per capita income of US$1,600 as a manufacturing base to reach the rest of AFTA. Vietnam's population of 70 million has $200 annual per capita income.

In the garment manufacturing field which Vietnam intends to promote, the Philippines as part of AFTA and with qualified and cheap labour will emerge as a formidable rival with Vietnam in the contest for foreign investors.

"If Vietnam is slow and reluctant to implement reforms to facilitate foreign investment, other potential investors would look to AFTA instead," said the Commerce Minister.

Besides, AFTA compared to Vietnam presents better prospects for foreign investors, who will have to ponder two questions: purchasing power and efficiency in getting their operations running.

"For investors with limited resources, what do you think would be a logical choice for them between Indochina, where it's difficult to work, of AFTA which is easier to work in?" he said.

Suchinda Breaks Silence, Speaks on Premiership

BK2108064392 Bangkok BANGKOK POST in English 21 Aug 92 p 17

[Text] Former prime minister Suchinda Khraprayun emerged from nearly three months of silence following the May crackdown to announce plans for an import-export company which he will operate together with other retired military officers.

Gen Suchinda said he had no plans to enter politics and would not accept any political post if offered.

The former prime minister said he thought most former MPs would be reelected because there had been no changes in the political format.

But he also said a miracle may happen at the September 13 election and Phalang Tham Party has the opportunity to become a major party because it has many good people.

He said he would vote for a pro-military party.

Gen Suchinda said the next prime minister must be clean and able to get along with everyone because Thailand has so many pressure groups. Gen Suchinda's remarks were published yesterday in the launch issue of the Thai-language daily Siam Post, a sister publication of the Bangkok Post. It was his first press interview since the May tragedy and his subsequent resignation as prime minister.

The former supreme commander and army chief admitted he had "failed" in his short-lived tenure as prime minister.

It was his nomination as non-elected prime minister by the five so-called "satanic" parties which led to the pro-democracy protests in May and subsequent crackdown which left more than 50 killed, dozens injured and several hundred still unaccounted for. The event eventually led to his resignation after only 47 days in office.

"I think I failed, otherwise my premiership would not have been so short. But don't think I will try to get into politics again," he said.

Gen Suchinda said he dislikes politics and this attitude had become firmer after his brief period in office.

He said he would refuse to accept an nomination to become a senator.

Gen Suchinda said his decision to accept the premiership was the most crucial and challenging in his life, comparing it to being between a sword and a spear, unlike being in military service where his subordinates obeyed regardless of the position he was holding.

He said the unrest in May was something he did not want to talk about.

"What happened will be written about in history books. It has happened many times that a person who was a hero at one time turned out to be the opposite 20 years later."

He said it was not yet time for him to speak out because it may cause a controversy.

He also said he was not the kind of person to reflect on the past.

"I have never looked back to see if my decision to leave the military service to be prime minister was a mistake or not.

"I think my decision was not wrong. At least it has made the people see how the country could be endangered, that there are still many differences of opinion among people and that they will use these differences to create violence which should never have happened.

"Since it has happened, it is a lesson for the country's administrators and people to find remedies."

Gen Suchinda maintained that what happened was good.

"Losing one leg in an accident is better than losing both. I think what we have done is correct and good. I don't think it was a sin.

We regret that many people were killed, but we considered it a matter of karma.

"We are sorry it happened while we were responsible, but feel no sin in our minds because we tried our best. Things just turned out that way."

He refused comment on whether he had thought the situation would turn out with so many deaths, people wounded and others missing.

He also denied reports he had been sick, saying he had only visited a dentist at the Army Medical Department.

Gen Suchinda also denied a report that he had changed his name, adding he did not believe in astrology.

He said he had never wanted to flee the country because he had never done anything wrong.

Gen Suchinda said he would rather be in Thailand even if he is charged in court and sentenced to jail.

He then said he planned to take a short trip abroad with his family so they could rest.

The former army chief denied an allegation that he had tried to perpetuate power, saying Gen Itsaraphng Nunphakdi and Lt-Gen Chainarong Nunphakdi were promoted to army chief and First Army commander respectively because of their knowledge and ability. Both Gen Itsaraphong and Lt-Gen Chainarong have since been removed to inactive positions.

Without naming names, he then criticised certain political party leaders for not playing by the rules and resorting to attacks on the Government outside Parliament despite the fact the House was in session.

He said they only wanted to win, even after having failed to gain a majority in Parliament.

New Aspiration Party leader Gen Chawalit Yongchaiyut has filed a defamation suit against Gen Suchinda over his claims that Gen Chawalit planned to establish a communist-style presidium to run the country.

Gen Chawalit has said he would withdraw the case if offered an apology, but Gen Suchinda said he would never do this because he had done nothing wrong.

Gen Suchinda then reaffirmed he would not run in an election and would not set up a political party.

"I dislike politics. Setting up a party requires a lot of money. The (former supreme commander ACM [Air Chief Marshal] Kaset Rotchananin) wants to do this and he may do so," he said.

Civilian Appointed as New Intelligence Chief

BK2108071392 Bangkok BANGKOK POST in English 21 Aug 92 p 1

[Text] In a rare move, a civilian has been appointed director-general of the National Intelligence Agency, a post usually given to military officers.

Prime Minister Anan Panyarachun announced the move yesterday but said he "could not remember" his name.

He is Phumirat Thaksatiphong.

The Premier said the acting director-general Lt-Gen Ayuphun Kannatut has returned to the Army following the appointment.

Former National Intelligence Agency chief Gen Atthaya Phaeophanchon has also returned to the Army, he said.

Gen Atthaya was transferred to Government House during the time of deposed premier Suchinda Khraprayun.

Mr Anan told reporters to ask Deputy Prime Minister-Interior Minister Pol Gen Phao Sarasin about assistant police chief Pol Lt-Gen Winit Charoensiri, who has not been affected by the police reshuffle.

Mr Anan, asked to comment on police officers arguing with their superiors after they we reshuffled, said he is "deaf and blind".

Army Chief To Keep Military Out of Politics

BK2108062992 Bangkok BANGKOK POST in English 21 Aug 92 p 3

[Text] The military will not get involved in politics even if politicians meddle in military affairs, Army Commander-in-Chief Gen Wimon Wongwanit insisted yesterday.

Disgraced former prime minister Gen Suchinda Khraprayun said recently the military had become involved in politics in the past only after politicians had tampered with the military.

Gen Wimon at first said this was a personal opinion but, when told Gen Suchinda had also said the new army chief would find it difficult to avoid situations where politicians interfere in military affairs, he said:

"I have already given my opinion. We will not get involved in politics. We really will have nothing to do with it and we are not saying this with a wink of the eye."

He said in reference to the weakened state of the political institutions today that "Politics will have to be solved by politicians and not the Armed Forces".

Gen Wimon said political methods would prove adequate in solving the nation's problems without military interference.

Soldiers must maintain their own order and remain in their barracks, he said.

"If it's the Army, everything will definitely be in order."

The Army chief said all Thais must help each other and the military is always ready to help the people. But when certain situations develop, the military is blamed and begins to feel it has few true friends.

"The people just swear at us. Some of them think cursing the military will win them votes," Gen Wimon said.

He said he would not approach politicians to establish an understanding, but would persevere with the criticisms and use goodness in improving the status of soldiers.

The troubles of the recent past have been blamed on differing opinions between groups of soldiers, but Gen

Wimon said most soldiers were professionals who were taught to make sacrifices for the sake of the country.

He then said that once the terrorists responsible for last week's bombing of the Hat Yai railway station were identified, Thailand would coordinate with Malaysia, where they are believed to be in hiding, to have them extradited.

Gen Wimon also said the military had not yet been contacted by those investigating the whereabouts of those missing after the crackdown on demonstrators in mid-May, but it was ready to cooperate and allow searches of military areas.

List of Vote-Buyers Given to Interior Ministry

BK2008022192 Bangkok BANGKOK POST in English 20 Aug 92 p 7

[Text] The PollWatch Committee has given the Interior Ministry a list of names of 146 former MPs suspected of vote-buying and those of about 1,000 government officials who failed to remain neutral in the March 22 election.

PollWatch member Somchai Sisutthiyakon revealed this yesterday.

He also said PollWatch members led by Gothom Ariya have set up their centre in Suphan Buri after delays because of communications problems within the committee.

Recently, PollWatch complained to the Interior Ministry that it could not set up centres in Suphan Buri and Prachuab Khiri Khan because of "influential people" in the provinces.

Mr Somchai said that because of less competition during the last election in the two provinces, nobody volunteered to lead the centres because they feared reprisals.

Chat Phatthana secretary-general Prachuap Chaiyasan earlier claimed that PollWatch is being unfair because it is considering information based only on the last election. But Mr Somchai said PollWatch originated in the last election and therefore has only information from the March 22 poll.

Vietnam

Hanoi Affirms No Living American GIs in Country

BK2008114492 Hanoi Voice of Vietnam in English 1000 GMT 20 Aug 92

[Station commentary]

[Text] The statement that Vietnam still keeps American prisoners of war is becoming an illusion. The U.S. officials themselves rejected such allegation. Dealing with this issue, our radio gives further details.

At the two-day testimony on MIA and POW issue held in Washington last week, U.S. officials failed to produce any new evidences on the possibility that American prisoners of war are still being kept in Vietnam and other Indochinese countries. Mr. (Frank Cleaver), former American diplomat, who directly took part in the settlement of the MIA issue during the 1966-78 period, admitted that they have faced an illusion about living American GIs in Indochina. He said that for the purpose of bringing pressure to bear upon Vietnam to be more active in the settlement of the MIA/POW issue, they had provided four lie reports on American POWs in Vietnam.

Representative of the U.S. MIA/POW Office in Hanoi also said that they have found no evidences to support American Senator Bob Smith's statement that there is an underground prison detaining American GIs in Vietnam. The head of the U.S. MIA/POW Office in Hanoi, Jack Donovan, went too far as telling a Reuters' correspondent and BBC Radio that the Vietnamese Government is helping American experts in their studies for reports on Americans either being detained or leading a free life in Vietnam. Not long ago, Miss (Francis Jeany), bureau chief in charge of the MIA issue and General Thomas Needham, in charge of the MIA joint searching, visited Vietnam. Both of these U.S. officials took part in the searches for [words indistinct] reports; but the result showed that those reports were groundless. Miss (Jeany) highly valued the Vietnamese people's and government's cooperation in the settlement of the MIA/POW issue in the recent period.

U.S. Textbooks Shipped To Saigon Harbor

BK2108093292 Hanoi Voice of Vietnam in English 1000 GMT 14 Aug 92

[Text] Some 28,000 English books on economics, sciences, and technology were shipped to Saigon Harbor on Tuesday, 11 August, from Portland, Oregon, as part of a sale contract between Micheal Powell and Ho Chi Minh City Book Distribution Company.

This shipment is symbolic because many American companies that want to do business with Vietnam are very concerned about the procedures and permission in running foreign business in Vietnam. So they keep an eye on these books' shipment to see if it works, Mr. (Floyd Helcome), senior editor of the U.S. International Business Information Service, said.

Economic Achievements Hailed by Russia's Titov

BK2008145692 Hanoi VNA in English 1420 GMT 20 Aug 92

[Text] Hanoi VNA August 20—Radio Moscow on August 19 broadcasted a speech of Gherman Titov, honorary chairman of the Russian Association for Friendship with Vietnam, on the occasion of the 47th anniversary of Vietnam's August Revolution (Aug. 19).

G. Titov said that all members of his association and all Russian friends of Vietnam are following developments

in Vietnam with great interest. Those who visited Vietnam recently were deeply impressed by Vietnam's economic achievements.

He further said: "Today I am glad to stress that the period of cool relations between the two countries has passed. A protocol on exchange of goods valued at USD 800 million for 1992 was signed during the recent Moscow visit of a Vietnamese delegation led by Vice Chairman of the Council of Ministers Pham Duc Luong.

By virtue of this protocol Vietnam will export rice, meat, vegetable and fruits in exchange for steel, fertilizer and other goods. The two sides agreed to increase direct relations and contacts between enterprises and organizations of the two countries and extend the contracts on labour supply and personnel training. Another step in this sense was the 1st session of the Russian-Vietnamese Commission for Economic, Commercial and Scientific and Technical Cooperation held in late July where a series of agreements were signed bearing investment guarantee taxation, sea and air transportation and postal relations.

He expressed his belief that the relations between the two countries in the new stage would yield fine results and affirmed that all members of his association are ready to continue to work for stronger bilateral ties.

Government Publicizes Tax Law on Housing, Land

BK2008144092 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 13 Aug 92

[Text] The Office of the National Assembly and the Council of State and the Ministry of Finance jointly held a news conference recently to make public the tax law on housing and land. The law is aimed at controlling the management of housing and land, improving efficient land use, preventing the exploitation of cultivated land for other purposes, mobilizing revenue paid to the state by landlords, and ensuring social justice in land use.

The law is composed of 29 articles in eight chapters. The law defines tax rates levied on land for building homes and land for other projects. Those who have to pay this tax are organizations and individuals who are entitled to use land for building homes or for other projects. The law also stipulates the different tax rates for the various categories of land, the reduction and exemption of taxes, and other stipulations.

Party Chief Do Muoi Addresses Judicial Workshop

BK2108091192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 11 Aug 92

[Report on speech by party General Secretary Do Muoi at 10 August 1992 workshop in Hanoi conducted by the judicial sector for judicial office directors and provincial chief judges—portion recorded]

[Text] The Ministry of Justice held a workshop in Hanoi from 27 July to 10 August 1992 for the directors of many judicial offices and the chief judges of various provincial and city people's courts throughout the country to keep them informed of basic matters regarding the state and the law in accordance with the spirit of the resolution of the seventh party congress and our country's 1992 Constitution.

Comrade General Secretary Do Muoi attended and addressed the workshop.

The comrade general secretary warmly hailed the entire judicial sector for its effort to study new problems encountered in socioeconomic activities as well as in the state's oganizational activities. The judicial sector has, together with other relevant sectors, built up and further perfected the judicial system, organized the teaching of law among the people, and trained the contingent of judicial cadres, especially personnel for various local courts, judicial organs of various sectors, and local judicial offices.

After pointing out certain basic matters regarding the building of a state ruled by law in accordance with the spirit of the resolution of the seventh party congress and the 1992 Constitution, Comrade General Secretary Do Muoi emphatically pointed out some immediate tasks to be satisfactorily carried out by the judicial sector. He said:

[Begin Do Muoi recording] The judicial sector's role is to help the government coordinate the activities of various ministries in drafting laws and presenting them before the National Assembly, to guide the implementation of judicial tasks for various ministries, and to ensure the quality of legal documents.

The Ministry of Justice should further step up its guidance for various local judicial and juridical organs to reexamine those regulations already promulgated, ensure the uniformity of law enforcement, avoid issuing conflicting orders or creating overlapping duties.

As for local courts, they should try to comply with new stipulations of the constitution regarding the system of appointing jurors—a system aimed at ensuring the building of a contingent of well-trained jurors of high professionalism to work on a long-term and constant basis and to ensure continuity and succession. Local courts should create conditions for carrying out more satisfactorily the principle of independent adjudication for jurors. They should regard the tasks of providing training and additional training for jurors and building the material bases and technical means for adjudication work are important duties of the judicial sector and the state. In this domain, you, comrades, have not tried hard enough, given the present need to build a state ruled by law.

In the period ahead, you, comrades, should try harder to build a large contingent of clean, fair-minded, and professionally competent judicial cadres capable of satisfactorily carrying out judicial work, especially juridical activities. They should be worthy of being entrusted by the party, the state, and the people with the duty of upholding justice and representing the Socialist Republic of Vietnam in the maintenance of social justice for our regime.

Material bases and technical equipment should also be appropriately increased if we are to ensure the operations of courts in accordance with their assigned duty as juridical organs of our country. Those judicial organs and organizations in support of juridical work such as the public prosecutor organ, the lawyers' association, the judicial education system, the criminal identification organization, and the judicial statistics system which are playing an important juridical role in socioeconomic management should be renovated together with juridical organs.

Our country's judicial sector should map out plans to study and gradually carry out a judicial reform together with administrative and legislative reforms. It should implement the policy of initiating major reform in the state apparatus as advocated by the sixth and seventh party congresses.

We should renovate the political system, including the renovation of the state apparatus in the direction of building a law-governed state of Vietnam. This is a complicated matter that needs swift, active but careful measures and firm steps so that ultimately we can ensure that the more we step up renovation, the more stable and developed our country becomes. [end recording]

On behalf of the entire judicial sector, Minister of Justice Nguyen Dinh Loc expressed his sincere gratitude to the comrade general secretary for his advice and pledged to overcome all weaknesses and deficiences with the determination to build a steadfast judicial sector capable of exercising its functions in order to contribute to effectively enhancing all aspects of law-governed state management.

State Council Confers Gold Star on Giap

BK2008152192 Hanoi VNA in English 1430 GMT 20 Aug 92

[Text] Hanoi, VNA 20 Aug—The State Council held a ceremony here today to confer the Gold Star, the highest distinction of Vietnam, on General Vo Nguyen Giap, ex-politburo member of the Communist Party of Vietnam (CPV) Central Committee, ex-minister of defence and ex-vice chairman of the Council of Ministers, in acknowledgement of his contributions to the party and people's revolutionary cause.

Present at the ceremony were Do Muoi, general secretary of the CPV Central Committee, Vo Chi Cong, president of the State Council, Pham Van Dong, advisor to the party Central Committee, Vo Van Kiet, chairman of the Council of Ministers, Le Quang Dao, president of the National Assembly, and other senior officials.

On behalf of the State Council, President Vo Chi Cong presented the order to Gen. Giap.

Speaking at the ceremony, Gen. Giap said that he will continue to devote all his spirit and energy to serve the people and the country in the hope of making a modest contribution to the party's cause of renovation for the sake of independence and freedom of the motherland, for the people's happiness and for the socialist and communist ideal.

Ha Tinh Holds Party Organization Conference

BK2108090392 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 14 Aug 92

[Text] The Ha Tinh provincial party organization recently held a conference of leading cadres to discuss and firmly grasp the party Central Committee Third Plenum's resolution and to formulate a program of action to implement it.

The conference asserted key tasks of various echelons and sectors for the days ahead. It called for great efforts to disseminate the fundamental contents of the party resolution among party members so as to create a consensus in political and ideological concepts. Echelons of party committees must use their units' unique conditions as a basis to formulate a concrete program of action to carry out tasks.

While implementing resolutions of the party Central Committee, various sectors must strive to satisfactorily carry out the socioeconomic tasks. They must concentrate efforts on caring for the summer-fall and 10th-month rice crops, accelerate the third rice crop planting, satisfactorily prepare conditions for the 1992-93 winter-spring crops, build new economic zones, and help improve work at various state-run economic establishments and so forth.

Ba Ria-Vung Tau Party Holds Conference

BK2008140292 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 12 Aug 92

[Text] In Vung Tau during 6-11 August, the Ba Ria-Vung Tau provincial party organization held a conference to study the party Central Committee Third Plenum's resolution. The conference appraised the socioeconomic situation of the province in the first half of 1992 and discussed its key tasks for the second half.

Generally speaking, the province has had encouraging achievement in its cultural and socioeconomic tasks. This has served as a base for the Ba Ria-Vung Tau party organization to concretely formulate a program of action to carry out the party resolution in conformity with the local conditions.

The conference was happy to welcome Comrade Pham Van Dong, adviser to the Communist Party of Vietnam Central Committee. In his address to the conference, Comrade Pham Van Dong stressed the importance of Ba Ria-Vung Tau in implementing the nation's renovation. He hailed the unity shown among members of the provincial party organization from its executive committee down to the grass-roots units. This is an important factor that will help encourage the province to satisfactorily fulfill all political and other assigned tasks.

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